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1979
NATIONAL FACT BOOK
OF
MUTUAL SAVINGS BANKING

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FOREWORD

This is the 19th annual *National Fact Book of Mutual Savings Banking* prepared by the Research and Economics Department of NAMSB. Its 77 tables, 19 charts and accompanying text remain the most comprehensive single source of information available on mutual savings banking.

The Fact Book generally covers the period ending December 1978 and, in some cases, the first half of 1979. Additional information on short-term industry trends appears in *Savings Bank Journal,* published monthly by NAMSB, and in the *Annual Report,* published in May.

In addition to nationwide trends and statistics, the Fact Book provides numerous geographic breakdowns of savings bank data to help individual banks better evaluate their relative performance within specific market areas. Many of the tables and charts include refinements of the basic figures, in order to accommodate the further analytical needs of readers.

The *National Fact Book* is based essentially on reports submitted by individual savings banks. To them, my continuing appreciation for their cooperation in helping to develop and publish this reference work.

Saul B. Klaman

President
October, 1979

HOW TO USE THE FACT BOOK

The *National Fact Book* has been revised in a number of respects to enhance its value to users. Among the more important changes are: (1) the introduction of new charts and more succinct text in the pages preceding each chapter; (2) a marked increase in the proportion of tables and charts devoted to the savings bank industry; and (3) the addition of new and expanded industry data on 6-month money market certificates, earnings and expense performance, and geographic patterns of savings and time deposit activity.

As in past years, the *National Fact Book* is organized into seven chapters which provide information on major areas of savings bank activity. The Contents include every entry in the Fact Book, and, together with the Subject Index, will provide a detailed guide to specific areas of interest. The "Highlights" section, which analyzes recent savings bank trends to supplement the longer-run considerations contained in the regular text, is included again in this year's Fact Book.

We hope readers of the Fact Book will find the revised format more useful for their particular needs. Any comments and suggestions for further improvement are welcome.

Jack Rubinson
Director, Research and Economics

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SAVINGS BANK HIGHLIGHTS — 1978-1979

Savings banks operated in an increasingly complex and unfavorable environment during 1978 and 1979. Interest rates soared to new highs, surpassing previous peaks established in the 1973-74 period. The inflation rate surged to double digit levels, partly in response to exceptionally sharp increases in fuel and food prices. And business activity turned sluggish amid growing indications that the economy was sliding into its seventh post-World War II recession.

Against this background, savings banks experienced a severe deterioration in deposit flows, despite widespread offerings of the newly authorized 6-month money market certificates. Mortgage lending, however, remained relatively high in 1978 and in the first half of 1979 as the industry resorted to the use of increased cash flows from mortgage repayments and securities liquidation. On the savings bank earnings front, sharply rising interest costs on 6-month CDs intensified bottomline income pressures significantly. Moreover, additional interest cost increases in the second half of 1979 were in prospect as a result of amendments to deposit interest regulations designed to benefit "small savers."

Deposit Trends

Savings banks sustained a $591 million net savings and time deposit outflow, excluding interest, in 1978. In the first seven months of 1979, industry deposit trends worsened markedly as savings banks experienced a record $2.2 billion deposit loss, excluding interest. The bulk of this outflow was concentrated in the April-July period, following federal regulatory actions taken in March which weakened the attractiveness of money market certificates at thrift institutions relative to commercial banks and competing investments, such as money market mutual fund shares. Effective March 15, 1979, compounding of interest was prohibited and the ¼% interest rate differential on money market certificates between thrift institutions and commercial banks was eliminated when the 6-month T-bill rate is 9% or higher. As a result of these actions, 6-month CD growth dropped sharply from an average monthly increase of $2.5 billion in late 1978 and early 1979 to only $1.0 billion in the April-July period.

In a broader context, sharply rising interest rates stemming from persistently severe price pressures were responsible for the 1978-79 deterioration in savings bank deposit trends. In an effort to cool off the inflationary spiral and strengthen the sagging foreign exchange value of the dollar, the Federal Reserve repeatedly tightened monetary policy. By the late summer of 1979, interest rates on many types of open market investments had soared to levels far above time and savings deposits carrying fixed ceiling rates.

With 6-month CDs dominating savings bank deposit activity, drastic shifts in the savings bank deposit structure have occurred since mid-1978. During the 14 month money market CD period ending July 31, 1979, savings banks sustained an $11 billion outflow, after interest, in ordinary savings deposits. Time deposits, by contrast, registered a $19 billion net increase, largely in 6-month certificates. As a result of these changes, the time deposit proportion of total deposits outstanding increased sharply from 42% to 52%. At the end of July, money market CD balances at savings banks alone totaled $25.6 billion. This represented 18% of total deposits and fully one-third of time deposits.

Additional changes in industry deposit patterns also appear in prospect as a result of amendments to deposit interest rate regulations, effective July 1, 1979, for commercial banks and thrift institutions. Designed to benefit the "small saver," these measures included: (1) an increase of ¼ of 1% in the ceiling rate on regular savings accounts; (2) creation of a new savings certificate carrying a 4 year or more maturity and a ceiling rate one percentage point below yields on 4-year Treasury obligations for savings institutions and 1¼% below for commercial banks; (3) elimination of all minimum denomination requirements on consumer-type time deposits, except for the $10,000 minimum for 6-month money market certificates; and (4) significant liberalization of early withdrawal penalties on new certificates issued or renewed after July 1.

Investment Trends

Meeting local demands for mortgage credit and maintaining strong liquidity positions dominated savings bank investment policies throughout 1978 and into the first half of 1979. Despite diminishing deposit flows, savings banks were able to maintain relatively high levels of mortgage lending by utilizing cash flows from mortgage repayments and cutting back securities portfolios. Meanwhile, precautionary measures taken in 1978 and in early 1979 enabled savings banks to weather unprecedented liquidity pressures in the April-June disintermediation period.

Savings bank mortgage lending was highlighted by the following patterns:

- Gross mortgage acquisitions rose to a record $16.9 billion in 1978, surpassing the previous high of $16.5 billion set a year earlier. New mortgage lending continued strong in early 1979, but began to slacken in the second quarter as deposit flows worsened.
- Net additions to mortgage portfolios were a near record $6.3 billion in 1978. In the first six months of 1979, holdings expanded by $2.0 billion, compared to $3.0 billion a year earlier.
- Net purchases of mortgage-backed securities declined from $2.5 billion in 1977 to $1.6 billion in 1978. In the first half of 1979, however, net acquisitions picked up, running well above corresponding 1978 levels.
- Combined net acquisitions of directly financed mortgage loans and mortgage-backed securities accounted for virtually all of total deposit growth, including interest, in the 18 month period ending June 30, 1979.

As noted earlier, the industry was able to provide a substantial, if reduced, volume of mortgage credit by supplementing shrinking deposit flows through the liquidation of securities holdings. In this regard, portfolios of corporate bonds and U.S. Government and agency securities were reduced by $934 million in 1978 and by another $439 million during the first half of 1979.

In the liquidity area, savings banks intensified efforts to improve short-term asset positions in the face of weakening deposit flows and growing uncertainties over potential rollover problems with maturing 6-month CD accounts. Savings bank holdings of cash and investments maturing within one year (less borrowings and mortgage warehousing) increased from $6.9 billion to $7.6 billion in 1978. As a percentage of deposits, net liquid assets increased slightly to a relatively high 5.3%. In the early months of 1979, further progress was made and by the end of March liquid assets stood at 6.6% of deposits. Although liquidity positions of savings banks declined during the April-June period of disintermediation, they still remained remarkably strong. As of June 30, 1979, cash and short-term asset holdings were actually higher as a percentage of deposits than a year earlier.

Earnings Trends

Savings banks experienced increased earnings difficulties in 1978 and in January-June 1979, accompanying sharply rising deposit interest costs on the 6-month CDs. Retained earnings as a percentage of assets increased only slightly from .55% in 1977 to .58% in 1978. Moreover, preliminary evidence indicates that bottom-line earnings rates of savings banks declined substantially below year-earlier levels in the first half of 1979.

With regard to savings bank surplus positions, the industry ratio of general reserve accounts to deposits rose from 7.4% at the end of 1977 to 7.6% at the end of 1978. Further increases occurred in the first six months of this year. A sharp slowdown in deposit flows was primarily responsible for the modest gain in reserve-deposit ratios, more than offsetting, at least temporarily, the adverse effects of slackening debenture financing and weakening net income positions.

The short-run earnings outlook for the savings bank industry as whole remains unfavorable. Money market CDs are likely to remain a highly expensive source of funds, given expectations that short-term interest rates will remain high in an inflationary climate. Additional interest cost pressures can also be expected from the more recent "small saver" regulations. The ¼% increase in passbook savings rates alone could increase the effective annual rate of interest paid on total deposits by an estimated 12 basis points. Meanwhile, transfers from existing lower rate accounts are likely to be the dominant source of funds attracted into the new market-linked 4-year CD in the current interest rate environment.

I — Financial Structure and Organization of Mutual Savings Banks

Throughout their history, mutual savings banks have performed two basic functions: (1) stimulating and protecting the savings of millions of individuals; and (2) channeling these savings into productive investments. At the end of 1978, there were 465 mutual savings banks in the United States with total assets amounting to $158 billion (Tables 2 and 5). Further growth in the first half of 1979 brought savings bank resources to $162 billion.

Pattern of Investments and Liabilities

Savings banks have channeled depositors' funds mainly into long-term mortgage investments. At the end of 1978, mortgage loans and GNMA mortgage-backed securities represented two-thirds of total assets. The next largest category, corporate bonds, accounted for 14% of assets, and other types of securities, 10%.

Total assets of mutual savings banks have expanded rapidly in recent decades, but this growth has varied for different types of instruments. Thus, holdings of mortgage investments, including GNMAs, increased from $8 billion to $105 billion from 1950 to 1978, while portfolios of U.S. government securities declined from $11 billion to $5 billion. At the same time, holdings of corporate and other securities rose from $2 billion to $33 billion. (Tables 1-3).

The composition of savings bank liabilities, on the other hand, has changed little with deposits continuing to be the main type of liability. These deposits are insured, in most instances, by the Federal Deposit Insurance Corporation, and in the case of Massachusetts savings banks, by the Mutual Savings Central Fund, Inc. (Tables 1, 2 and 7). Moreover, 85 savings banks were members of the Federal Home Loan Bank System at the end of 1978.

Mutual savings banks, as the name implies, have no capital stock and have not made extensive use of borrowing for liquidity purposes or asset expansion. In recent years, however, some savings banks have issued subordinated debentures. As of the end of 1978, 42 savings banks in 12 states had $356 million in subordinated debt outstanding (Table 2).

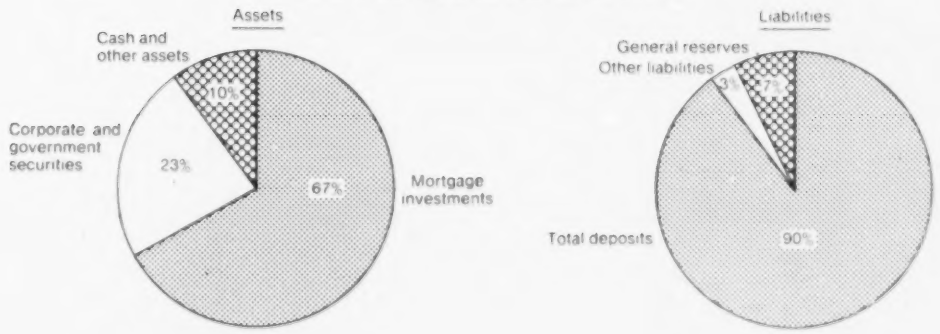
Size and Geographic Distribution

Most savings banks are located in the Middle Atlantic and New England regions, with nearly seven-eighths of the total number in the states of Massachusetts, New York, Connecticut, Maine and New Hampshire. Although Massachusetts had the greatest number of banks at the end of 1978, over half (54%) of total savings bank assets were concentrated in New York State. The confinement of savings banks mainly to the Northeastern section of the nation is largely due to legal restrictions which prevent geographic extension of the industry.

As of the end of 1978, there were 3,006 savings bank offices, including 2,541 branches. Nearly nine-tenths of the total number of savings banks have one or more branch offices.

Of particular significance for savings banks last year was enactment of the Financial Institutions Regulatory and Interest Rate Control Act of 1978. Title XII of the Act grants savings banks the option to convert to federally-chartered savings banks in the states where they now operate.

Percentage Distribution of Assets and Liabilities of Mutual Savings Banks, June 30, 1979



NOTE: Mortgage investments include GNMAs.

Table 1

Assets and Liabilities of Mutual Savings Banks, Selected Years, 1900-1978

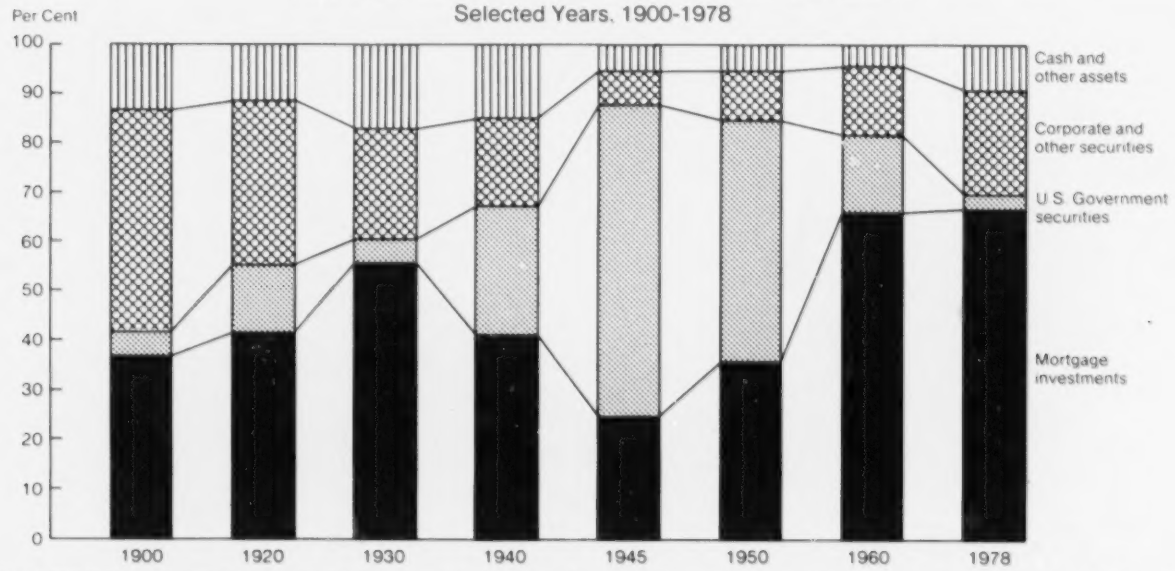
(In millions of dollars)

Year	Mortgage investments		Securities			Non-mortgage loans	Cash and other assets	Total assets — total liabilities and general reserve accounts	Deposits	Other liabilities	General reserve accounts
	Mortgage	GNMA mortgage-backed	U.S. Government	State and local	Corporate and other						
1900	858	—	105	567	462	169	167	2,328	2,129	2	197
1910	1,500	—	13	765	906	194	220	3,598	3,306	2	290
1920	2,291	—	783	650	1,213	336	313	5,586	5,157	9	420
1930	5,635	—	499	920	2,278	312	520	10,164	9,099	12	1,053
1940	4,836	—	3,193	612	1,429	82	1,764	11,916	10,598	32	1,286
1945	4,202	—	10,650	84	1,116	62	849	16,962	15,332	48	1,582
1950	8,039	—	10,877	96	2,260	127	1,047	22,446	20,025	137	2,283
1955	17,279	—	8,463	646	3,364	211	1,382	31,346	28,182	310	2,854
1960	26,702	—	6,243	672	5,076	416	1,463	40,571	36,343	678	3,550
1965	44,433	—	5,485	320	5,170	862	1,962	58,232	52,443	1,124	4,665
1970	57,775	85	3,151	197	12,791	2,255	2,741	78,995	71,580	1,690	5,726
1971	61,984	755	3,268	390	17,275	2,810	3,099	89,581	81,440	1,810	6,331
1972	67,563	1,384	3,510	873	20,522	2,979	3,762	100,593	91,613	2,024	6,956
1973	73,231	1,861	2,958	926	19,521	3,871	4,282	106,650	96,496	2,566	7,589
1974	74,891	2,230	2,555	930	20,320	3,812	4,812	109,550	98,701	2,888	7,961
1975	77,221	3,367	4,740	1,545	24,626	4,023	5,535	121,056	109,873	2,755	8,428
1976	81,630	5,808	5,840	2,417	27,985	5,183	5,948	134,812	122,877	2,884	9,052
1977	88,195	8,331	5,895	2,828	29,587	6,210	6,240	147,287	134,017	3,292	9,978
1978	95,157	10,021	4,959	3,333	29,711	7,195	7,796	158,174	142,701	4,565	10,907

NOTE: End-of-year data except for 1900 to 1930 which are as of mid-year. Balance sheet data are net of valuation reserves except for the period from December 31, 1971 to March 31, 1979. Annual and monthly changes in balance sheet items shown in subsequent tables of the *National Fact Book* are strictly comparable for all periods, reflecting adjustments made to take accounts of the shifts in reporting procedures as well as for conversions of different types of institutions.
SOURCE: FRB, NAMSB and state banking departments.

Chart 1

Percentage Distribution of Assets of Mutual Savings Banks, Selected Years, 1900-1978



NOTE: End-of-year data except for 1900 to 1930 which are as of mid-year. Asset classifications are comparable to Table 1 except for corporate and other securities which include state and municipal obligations for all years shown and cash and other assets which include nonmortgage loans. Mortgage investments for 1978 include GNMAs. See note to Table 1.
SOURCE: FRB, NAMSB and state banking departments.

Table 2

Assets and Liabilities of Mutual Savings Banks, by States, December 31, 1978

(In millions of dollars)

Item	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.	All other states
ASSETS												
Cash and due from banks	3,665	2,020	326	322	274	345	70	56	48	39	58	108
U.S. Government obligations	4,959	2,584	1,012	280	228	220	88	122	96	59	121	150
Federal agency obligations	3,338	1,594	716	132	222	348	63	35	53	76	27	72
State and local obligations	3,333	2,071	69	178	827	106	6	5	9	5	4	54
Mortgage investments	105,179	55,615	15,390	9,772	6,782	5,982	3,194	1,742	1,754	1,224	965	2,757
Mortgage loans	95,157	49,368	14,028	9,476	6,152	4,934	3,099	1,648	1,680	1,151	947	2,673
GNMA mortgage-backed	10,021	6,247	1,361	296	630	1,048	95	94	74	73	18	84
Corporate and other bonds	21,566	13,519	2,315	848	3,112	868	187	111	113	62	118	314
Corporate stock	4,807	2,271	953	755	262	128	19	145	120	45	8	101
Other loans	7,195	3,042	1,245	1,005	366	293	327	221	193	106	239	159
Guaranteed education loans	992	594	107	109	72	61	6	7	12	14	4	5
Consumer installment loans	1,333	115	383	352	—	54	52	101	83	28	120	44
Home improvement loans	722	340	118	100	4	27	32	20	15	12	39	16
Federal funds	2,140	1,177	321	256	117	98	69	17	31	15	3	35
Passbook loans	953	392	214	131	42	49	18	28	26	19	9	25
All other loans	1,055	424	101	57	131	4	150	48	26	18	64	34
Bank premises owned	1,396	671	221	127	76	95	54	36	34	29	13	42
Other real estate	413	198	62	75	7	13	36	3	2	3	*	14
Other assets	2,321	1,405	195	190	191	101	58	22	19	31	62	47
TOTAL ASSETS	158,174	84,989	22,505	13,683	12,347	8,497	4,101	2,498	2,440	1,679	1,616	3,819
LIABILITIES												
Regular deposits	141,170	76,081	20,133	12,126	11,236	7,484	3,631	2,193	2,172	1,493	1,341	3,280
Savings	71,816	37,898	11,065	6,194	5,284	3,821	1,809	1,194	1,280	821	935	1,515
Time	69,354	38,183	9,069	5,932	5,952	3,663	1,822	1,000	892	672	406	1,765
School and club	202	87	21	13	50	15	2	3	3	3	2	4
Other deposits	1,329	781	6	126	31	242	3	2	16	1	55	66
Total deposits	142,701	76,948	20,161	12,265	11,317	7,741	3,637	2,198	2,191	1,496	1,398	3,350
Borrowings and mortgage warehousing	1,594	727	67	209	131	79	136	31	30	21	15	150
Other liabilities	2,971	1,705	501	205	154	134	49	55	24	24	69	50
TOTAL LIABILITIES	147,267	79,380	20,729	12,679	11,602	7,955	3,822	2,283	2,245	1,541	1,481	3,550
Capital notes and debentures	356	128	—	42	94	53	5	4	1	4	—	26
Other general reserves	10,551	5,481	1,777	962	651	490	274	211	194	134	135	242
TOTAL GENERAL RESERVE ACCOUNTS	10,907	5,609	1,777	1,004	745	542	279	215	195	138	135	269
TOTAL LIABILITIES AND GENERAL RESERVE ACCOUNTS	158,174	84,989	22,505	13,683	12,347	8,497	4,101	2,498	2,440	1,679	1,616	3,819
MEMORANDA												
Cash and investments:												
Maturing within one year	9,223	4,475	1,381	900	738	695	207	148	145	101	160	273
Maturing within five years	15,970	7,860	2,607	1,248	1,434	1,034	342	281	266	197	284	417
Total mortgage loans	95,157	49,368	14,028	9,476	6,152	4,934	3,099	1,648	1,680	1,151	947	2,673
Residential	78,785	40,094	11,837	8,254	4,746	4,573	2,526	1,365	1,452	932	885	2,123
FHA	14,203	10,385	1,209	342	922	723	121	75	88	59	90	191
VA	11,824	7,161	1,579	321	1,222	724	82	154	274	61	133	114
Conventional	52,758	22,548	9,049	7,591	2,602	3,127	2,323	1,136	1,090	812	662	1,819
Nonresidental	16,327	9,265	2,181	1,217	1,406	361	573	281	227	219	62	534
Farm	45	9	11	5	*	*	*	3	1	—	—	16
Total corporate stock	4,807	2,271	953	755	262	128	19	145	120	45	8	101
Preferred	1,848	1,312	102	116	115	76	11	18	29	4	6	59
Common	2,958	960	851	638	146	51	7	126	91	41	3	42
Number of banks	465	115	163	65	8	20	9	26	30	6	3	20

*Less than $500,000.

NOTE: Data for cash and investments maturing within one year and five years include cash, federal funds, securities and open market paper. Consumer installment loan data for New York include checking overdrafts and other loans. See note to Table 1.

SOURCE: NAMSB.

Table 3

Percentage Distribution of Assets and Liabilities of Mutual Savings Banks, by States, December 31, 1978

Item	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.	All other states
ASSETS												
Cash and due from banks	2.3	2.4	1.4	2.4	2.2	4.1	1.7	2.2	2.0	2.3	3.6	2.8
U.S. Government obligations	3.1	3.0	4.5	2.0	1.8	2.6	2.1	4.9	3.9	3.5	7.5	3.9
Federal agency obligations	2.1	1.9	3.2	1.0	1.8	4.1	1.5	1.4	2.2	4.5	1.7	1.9
State and local obligations	2.1	2.4	.3	1.3	6.7	1.2	.2	.2	.4	.3	.3	1.4
Mortgage investments	66.5	65.4	68.4	71.4	54.9	70.4	77.9	69.7	71.9	72.9	59.7	72.2
Mortgage loans	60.2	58.1	62.3	69.3	49.8	58.1	75.6	66.0	68.9	68.5	58.6	70.0
GNMA mortgage-backed	6.3	7.4	6.0	2.2	5.1	12.3	2.3	3.7	3.0	4.4	1.1	2.2
Corporate and other bonds	13.6	15.9	10.3	6.2	25.2	10.2	4.5	4.5	4.6	3.7	7.3	8.2
Corporate stock	3.0	2.7	4.2	5.5	2.1	1.5	.5	5.8	4.9	2.7	.5	2.7
Other loans	4.5	3.6	5.5	7.3	3.0	3.4	8.0	8.8	7.9	6.3	14.8	4.2
Guaranteed education loans	.6	.7	.5	.8	.6	.7	.2	.3	.5	.8	.2	.1
Consumer installment loans	.8	.1	1.7	2.6	—	.6	1.3	4.0	3.4	1.7	7.4	1.2
Home improvement loans	.5	.4	.5	.7	*	.3	.8	.8	.6	.7	2.4	.4
Federal funds	1.4	1.4	1.4	1.9	.9	1.2	1.7	.7	1.3	.9	.2	.9
Passbook loans	.6	.5	1.0	1.0	.3	.6	.4	1.1	1.1	1.1	.6	.6
All other loans	.7	.5	.5	.4	1.1	*	3.6	1.9	1.1	1.1	4.0	.9
Bank premises owned	.9	.8	1.0	.9	.6	1.1	1.3	1.5	1.4	1.7	.8	1.1
Other real estate	.3	.2	.3	.5	.1	.1	.9	.1	.1	.2	*	.4
Other assets	1.5	1.7	.9	1.4	1.5	1.2	1.4	.9	.8	1.9	3.9	1.2
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
LIABILITIES												
Regular deposits	89.3	89.5	89.5	88.6	91.0	88.1	88.5	87.8	89.0	88.9	83.0	85.9
Savings	45.4	44.6	49.2	45.3	42.8	45.0	44.1	47.8	52.5	48.9	57.9	39.7
Time	43.8	44.9	40.3	43.4	48.2	43.1	44.4	40.0	36.5	40.0	25.1	46.2
School and club	.1	.1	.1	.1	.4	.2	.1	.1	.1	.2	.1	.1
Other deposits	.8	.9	*	9	.3	2.9	.1	.1	.7	*	3.4	1.7
Total deposits	90.2	90.5	89.6	89.6	91.7	91.1	88.7	88.0	89.8	89.1	86.5	87.7
Borrowings and mortgage warehousing	1.0	.9	.3	1.5	1.1	.9	3.3	1.2	1.2	1.2	.9	3.9
Other liabilities	1.9	2.0	2.2	1.5	1.3	1.6	1.2	2.2	1.0	1.4	4.3	1.3
TOTAL LIABILITIES	93.1	93.4	92.1	92.7	94.0	93.6	93.2	91.4	92.0	91.8	91.7	93.0
Capital notes and debentures	.2	.2	—	.3	.8	.6	.1	.2	*	.2	—	.7
Other general reserves	6.7	6.4	7.9	7.0	5.3	5.8	6.7	8.4	7.9	8.0	8.3	6.3
TOTAL GENERAL RESERVE ACCOUNTS	6.9	6.6	7.9	7.3	6.0	6.4	6.8	8.6	8.0	8.2	8.3	7.0
TOTAL LIABILITIES AND GENERAL RESERVE ACCOUNTS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
MEMORANDA												
Cash and investments:					(Per cent of total assets)							
Maturing within one year	5.8	5.3	6.1	6.6	6.0	8.2	5.0	5.9	5.9	6.0	9.9	7.1
Maturing within five years	10.1	9.2	11.6	9.1	11.6	12.2	8.3	11.2	10.9	11.7	17.6	10.9
					(Percentage distribution)							
Total mortgage loans	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Residential	82.8	81.2	84.4	87.1	77.1	92.7	81.5	82.8	86.4	81.0	93.4	79.4
FHA	14.9	21.0	8.6	3.6	15.0	14.6	3.9	4.5	5.2	5.1	9.5	7.1
VA	12.4	14.5	11.3	3.4	19.9	14.7	2.6	9.3	16.3	5.3	14.0	4.2
Conventional	55.4	45.7	64.5	80.1	42.3	63.4	75.0	68.9	64.9	70.5	69.9	68.0
Nonresidental	17.2	18.8	15.5	12.8	22.9	7.3	18.5	17.0	13.5	19.0	6.6	20.0
Farm	*	*	.1	.1	*	*	*	.2	.1	—	—	.6
Total corporate stock	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Preferred	38.5	57.7	10.7	15.4	44.0	59.8	59.9	12.6	23.9	8.9	66.6	58.6
Common	61.5	42.3	89.3	84.6	56.0	40.2	40.1	87.4	76.1	91.1	33.4	41.4

*Less than .05%.
NOTE: See notes to Tables 1 and 2.
SOURCE: NAMSB.

Table 4
Percentage Distribution of Assets and Liabilities of Mutual Savings Banks, by Deposit Size, December 31, 1978

Item	Total	Deposit size (In millions of dollars)							
		Less than 25.0	25.0 to 49.9	50.0 to 99.9	100.0 to 249.9	250.0 to 499.9	500.0 to 999.9	1,000.0 to 1,999.9	2,000.0 or more
ASSETS									
Cash and due from banks	2.3	1.9	2.1	1.9	2.0	2.2	2.2	3.2	2.1
U.S. Government obligations	3.1	4.9	5.1	4.0	3.5	3.2	3.2	2.2	3.2
Federal agency obligations	2.1	1.4	2.0	2.1	1.9	2.7	2.3	2.5	1.6
State and local obligations	2.1	.5	.6	.5	1.1	1.1	1.8	2.1	3.9
Mortgage investments	66.5	69.0	68.3	70.4	71.2	70.5	68.7	69.1	57.4
Mortgage loans	60.2	65.4	65.4	66.4	66.4	62.3	61.2	61.8	51.9
GNMA mortgage-backed	6.3	3.6	2.9	4.0	4.8	8.2	7.4	7.3	5.6
Corporate and other bonds	13.6	8.6	8.0	8.1	8.4	9.3	11.6	11.2	23.6
Corporate stock	3.0	3.3	4.3	4.2	3.9	2.8	2.9	2.5	2.8
Other loans	4.5	7.7	7.5	6.6	5.5	5.9	4.5	4.4	2.9
Guaranteed education loans	.6	.3	.4	.6	.6	.7	.6	.7	.6
Consumer installment loans	.8	2.8	3.0	2.4	1.5	1.1	.7	.5	.2
Home improvement loans	.5	.7	.8	.6	.7	.6	.5	.3	.2
Federal funds	1.4	1.9	1.5	1.3	1.4	2.3	1.2	1.2	1.1
Passbook loans	.6	1.5	1.2	1.1	.9	.7	.5	.5	.4
All other loans	.7	.5	.5	.5	.4	.4	.9	1.2	.4
Bank premises owned	.9	1.0	1.2	1.2	1.1	.8	.9	.8	.8
Other real estate	.3	.2	.1	.2	.3	.3	.3	.4	.2
Other assets	1.5	1.5	.7	.8	1.1	1.3	1.6	1.8	1.6
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
LIABILITIES									
Regular deposits	89.3	89.4	89.1	89.3	89.2	89.2	89.0	88.8	89.9
Savings	45.4	52.0	53.0	50.3	48.7	45.7	47.9	44.2	40.5
Time	43.8	37.4	36.2	39.0	40.4	43.5	41.1	44.5	49.3
School and club	.1	.1	.1	.1	.1	.1	.2	.1	.1
Other deposits	.8	.3	.5	.6	.6	.9	1.1	.9	.8
Total deposits	90.2	89.8	89.8	90.1	89.9	90.2	90.3	89.7	90.8
Borrowing and mortgage warehousing	1.0	.2	.4	.4	.8	1.1	.6	1.8	1.0
Other liabilities	1.9	1.7	1.7	1.8	1.9	1.8	1.9	2.0	1.8
TOTAL LIABILITIES	93.1	91.7	91.9	92.3	92.6	93.1	92.8	93.5	93.6
Capital notes and debentures	.2	.1	.1	*	.1	.2	.1	.3	.4
Other general reserves	6.7	8.2	8.0	7.7	7.4	6.7	7.0	6.2	6.0
TOTAL GENERAL RESERVE ACCOUNTS	6.9	8.3	8.1	7.7	7.4	6.9	7.2	6.5	6.4
TOTAL LIABILITIES and GENERAL RESERVE ACCOUNTS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
MEMORANDA									
Cash and investments:				(Per cent of total assets)					
Maturing within one year	5.8	5.9	4.2	5.5	5.8	7.3	5.9	6.8	4.5
Maturing within five years	10.1	11.1	9.8	10.5	10.2	11.1	10.2	10.3	9.2
				(Percentage distribution)					
Total mortgage loans	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Residential	82.8	93.8	90.5	88.2	87.1	87.2	82.7	83.1	74.8
FHA	14.9	1.9	2.1	3.9	5.4	12.5	16.3	24.1	18.1
VA	12.4	4.1	3.7	6.6	7.5	11.2	12.7	16.7	15.2
Conventional	55.4	87.8	84.7	77.6	74.2	63.5	53.7	42.3	41.6
Nonresidential	17.2	5.7	9.2	11.6	12.8	12.8	17.2	16.9	25.2
Farm	*	.5	.2	.2	.1	*	*	*	*
Total Corporate stock	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Preferred	38.5	18.1	21.2	17.6	21.2	31.3	40.9	46.2	56.6
Common	61.5	81.9	78.8	82.4	78.8	68.7	59.1	53.8	43.4
				(Actual number)					
Number of banks	465	31	63	125	124	49	42	18	13

*Less than .05%.
NOTE: See notes to Tables 1 and 2.
SOURCE: NAMSB.

Table 5

Number of Offices of Selected Types of Financial Institutions in Mutual Savings Bank States, December 31, 1978

State	Mutual savings banks			Commercial banks			Savings and loan associations		
	Banks	Branches	Total offices	Banks	Branches	Total offices	Assns.	Branches	Total offices
Massachusetts	163	461	624	152	924	1,076	164	205	369
New York	115	997	1,112	298	3,317	3,615	127	517	644
Connecticut	65	304	369	65	587	652	38	130	168
Maine	30	85	115	43	293	336	20	23	43
New Hampshire	26	42	68	79	135	214	17	14	31
New Jersey	20	162	182	184	1,535	1,719	217	611	828
Washington	9	119	128	103	785	888	50	282	332
Pennsylvania	8	186	194	378	2,427	2,805	402	660	1,062
Rhode Island	6	68	74	17	226	243	6	24	30
Vermont	6	19	25	30	147	177	7	4	11
Indiana	4	2	6	406	1,035	1,441	165	196	361
Maryland	3	55	58	106	855	961	204	334	538
Wisconsin	3	—	3	633	444	1,077	116	366	482
Alaska	2	3	5	12	112	124	4	—	4
Delaware	2	24	26	19	147	166	18	11	29
Oregon	2	14	16	63	525	588	28	262	290
Minnesota	1	—	1	761	176	937	62	233	295
TOTAL	465	2,541	3,006	3,349	13,670	17,019	1,645	3,872	5,517

NOTE: Figures for commercial banks include stock savings banks and non-deposit trust companies.
SOURCE: FDIC and USLSA.

Table 6

Distribution of Mutual Savings Banks According to Size, by States, December 31,1978

State	Total number of savings banks	Deposits (in millions of dollars)					
		Less than 50.0	50.0 to 99.9	100.0 to 249.9	250.0 to 499.9	500.0 to 999.9	1,000.0 and over
Massachusetts	163	46	50	50	11	6	—
New York	115	5	16	31	17	24	22
Connecticut	65	10	25	18	7	3	2
Maine	30	15	10	4	1	—	—
New Hampshire	26	9	12	4	1	—	—
New Jersey	20	2	3	5	6	3	1
Washington	9	—	2	3	2	1	1
Pennsylvania	8	1	—	2	—	—	5
Rhode Island	6	—	1	2	2	1	—
Vermont	6	1	3	1	1	—	—
Indiana	4	1	3	—	—	—	—
Maryland	3	—	—	1	—	2	—
Wisconsin	3	3	—	—	—	—	—
Alaska	2	1	—	1	—	—	—
Delaware	2	—	—	1	—	1	—
Oregon	2	—	—	1	1	—	—
Minnesota	1	—	—	—	—	1	—
TOTAL	465	94	125	124	49	42	31

SOURCE: NAMSB.

Table 7

Mutual Savings Bank Membership in FDIC, State Deposit Insurance Funds, and Federal Home Loan Bank System, Selected Year-End Dates, 1945-1978

End of year	Total number of savings banks	Insured			Non-insured	Members of FHLB system
		Total	by FDIC	by state funds		
	(Number of savings banks)					
1945	532	446	192	254	86	25
1950	529	447	194	253	82	29
1960	515	502	325	185	13	19
1970	494	493	329	172	1	46
1975	476	475	329	166	1	68
1976	473	473	331	166	—	76
1977	467	467	323	166	—	73
1978	465	465	325	163	—	85
	(Per cent of savings banks)					
1945	100.0	83.8	36.1	47.7	16.2	4.7
1950	100.0	84.5	36.7	47.8	15.5	5.5
1960	100.0	97.5	63.1	35.9	2.5	3.7
1970	100.0	99.8	66.6	34.8	.2	9.3
1975	100.0	99.8	69.1	34.9	.2	14.3
1976	100.0	100.0	70.0	35.1	—	16.1
1977	100.0	100.0	69.2	35.5	—	15.6
1978	100.0	100.0	69.9	35.1	—	18.3

NOTE: Beginning in 1960 data on insured savings banks do not add to total, reflecting Massachusetts savings banks which are insured by both FDIC and by the Mutual Savings Central Fund, Inc. Prior to 1960, data on membership in the FHLB system include a very small number of stock and guaranty savings banks.
SOURCE: FDIC, FHLBB and NAMSB.

Table 8

One Hundred Largest Mutual Savings Banks, Ranked by Deposits, December 31,1978

Bank	Deposits (in thousands of dollars)	Bank	Deposits (in thousands of dollars)
Philadelphia Savings Fund Society, Pa.	5,382,686	Syracuse Savings Bank, N. Y.	707,878
Bowery Savings Bank, New York City	4,694,801	Roosevelt Savings Bank, New York City	695,358
Dime Savings Bank of New York, N. Y.	4,159,986	Queens County Savings Bank, New York City	682,892
New York Bank for Savings, N.Y.	3,403,701	Wilmington Savings Fund Society, Del.	681,741
Dollar Savings Bank, New York City	2,474,236	Prudential Savings Bank, New York City	674,703
Emigrant Savings Bank, New York City	2,318,050	Connecticut Savings Bank, New Haven	671,793
Dry Dock Savings Bank, New York City	2,260,571	Empire Savings Bank, New York City	662,653
Howard Savings Bank, Newark, N.J.	2,192,609	New Haven Savings Bank, Conn.	658,830
Buffalo Savings Bank, N.Y.	2,144,423	Hamburg Savings Bank, New York City	638,683
Manhattan Savings Bank, New York City	2,097,935	Provident Savings Bank, Jersey City, N.J.	597,423
Greenwich Savings Bank, New York City	2,091,436	Suffolk Franklin Savings Bank, Boston, Mass.	591,127
Western Saving Fund Society, Philadelphia, Pa.	2,050,501	Morris County Savings Bank, Morristown, N.J.	587,035
Williamsburgh Savings Bank, New York City	2,024,903	Fidelity Mutual Savings Bank, Spokane, Wash.	552,820
Lincoln Savings Bank, New York City	1,912,558	Richmond Hill Savings Bank, New York City	542,182
Washington Mutual Savings Bank, Seattle	1,753,176	Citizens Savings Bank, Providence, R.I.	540,866
Erie Savings Bank, Buffalo, N.Y.	1,748,349	Provident Savings Bank, Baltimore, Md.	531,561
Metropolitan Savings Bank, New York City	1,741,535	Roslyn Savings Bank, N.Y.	528,156
Seamen's Bank for Savings, New York City	1,717,867	North Side Savings Bank, New York City	524,769
People's Savings Bank — Bridgeport, Conn.	1,652,862	The Banking Center, Waterbury, Conn.	517,285
Anchor Savings Bank, New York City	1,558,502	Mutual Bank For Savings, Newton, Mass.	508,069
Greater New York Savings Bank, New York City	1,558,075	Springfield Institution for Savings, Mass.	507,013
East River Savings Bank, New York City	1,512,316	Dime Savings Bank of Williamsburgh, New York City	493,679
Franklin Savings Bank, New York City	1,459,941	United States Savings Bank, Newark, N.J.	487,234
Society for Savings, Hartford, Conn.	1,444,759	Binghamton Savings Bank, N.Y.	482,413
Brooklyn Savings Bank, New York City	1,370,541	American Savings Bank, New York City	469,730
Jamaica Savings Bank, New York City	1,353,361	Savings Bank of Utica, N.Y.	442,662
Beneficial Mutual Savings Bank, Philadelphia, Pa.	1,334,442	Staten Island Savings Bank, New York City	438,464
Union Dime Savings Bank, New York City	1,189,820	Poughkeepsie Savings Bank, N.Y.	437,371
Dollar Savings Bank, Pittsburgh, Pa.	1,128,156	Bloomfield Savings Bank, N.J.	427,718
Germantown Savings Bank, Philadelphia, Pa.	1,105,450	Monroe Savings Bank, Rochester, N.Y.	426,065
Community Savings Bank, Rochester, N.Y.	1,064,976	Mechanics and Farmers Savings Bank, Bridgeport, Conn.	421,683
Green Point Savings Bank, New York City	994,352	Lincoln Mutual Savings Bank, Spokane, Wash.	418,001
Long Island Savings Bank, New York City	982,120	Worcester County Institution for Savings, Mass.	411,922
Hudson City Savings Bank, Jersey City, N.J.	964,986	Union Warren Savings Bank, Boston, Mass.	407,457
Provident Institution for Savings, Boston, Mass.	952,030	South Boston Savings Bank, Mass.	400,917
Independence Savings Bank, New York City	931,265	Eastchester Savings Bank, Mount Vernon, N.Y.	400,884
Boston Five Cents Savings Bank, Mass.	919,074	Permanent Savings Bank, Niagara Falls, N.Y.	398,774
Ridgewood Savings Bank, New York City	914,178	Orange Savings Bank, N.J.	395,461
East New York Savings Bank, New York City	893,236	Home Savings Bank, Boston, Mass.	385,814
Schenectady Savings Bank, N.Y.	879,155	Home Savings Bank, White Plains, N.Y.	380,889
Farmers and Mechanics Savings Bank, Minneapolis, Minn.	863,551	Cambridge Savings Bank, Mass.	377,012
Albany Savings Bank, N.Y.	861,418	Maine Savings Bank, Portland	374,240
Central Savings Bank, New York City	835,775	Amoskeag Savings Bank, Manchester, N.H.	374,031
United Mutual Savings Bank, New York City	830,934	American Savings Bank, New Britain, Conn.	370,416
Western New York Savings Bank, Buffalo	819,089	Mechanics Savings Bank, Hartford, Conn.	357,096
Onondaga Savings Bank, Syracuse, N.Y.	774,131	New Brunswick Savings Bank, N.J.	347,147
Harlem Savings Bank, New York City	770,771	Burlington Savings Bank, Vt.	346,123
Savings Bank of Baltimore, Md.	764,167	Perth Amboy Savings Institution, N.J.	337,187
Rochester Savings Bank, N.Y.	760,376	Total deposits, one hundred largest	105,452,787
Eastern Savings Bank, New York City	749,656		
Charlestown Savings Bank, Boston, Mass.	747,516		
Peoples Westchester Savings Bank, Tarrytown, N.Y.	729,256	Total deposits, all mutual savings banks	142,701,249

SOURCE: NAMSB

II — Deposits and General Reserve Accounts of Mutual Savings Banks

Deposits in the nation's savings banks, representing savings accumulated by individuals in 35 million accounts, totaled $143 billion, including interest, at the end of 1978. Further gains in 1979 brought the total to about $146 billion at mid-1979. Excluding interest, however, savings banks experienced a net deposit loss of $591 million during 1978 and an additional outflow of $1.5 billion in the first half of 1979. The 1978-79 deposit drain contrasted markedly with the substantial inflows registered in 1975-77 when the industry was recovering from the 1973-74 period of massive disintermediation. The 1979 deterioration in deposit flows at savings banks was concentrated in the second quarter, following federal regulatory actions taken to reduce the appeal of the new 6-month money market certificates. Effective March 15, 1979, interest compounding on these instruments was eliminated and the ¼% interest rate differential over commercial banks and 6-month Treasury bills was eliminated, when the bill rate is 9% or higher. As a result, April-June growth in MMC balances dropped to $2.9 billion from $8.5 billion in the first quarter.

Changes in savings bank deposits partly reflect divergent growth rates in various deposit components. One of the most significant shifts within recent years has been the growing significance of higher yield time accounts in the industry's deposit structure. Dollar balances in such accounts have increased from 17% of total savings and time deposits at the end of 1970 to 53% at the end of June 1979.

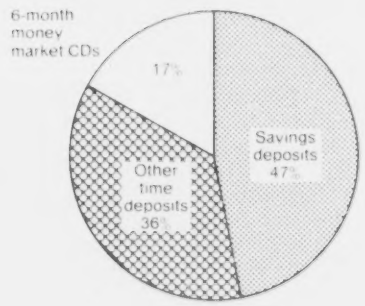
The new 6-month money market account, since its introduction on June 1, 1978, has contributed significantly to this shift. By the end of June 1979, outstanding balances in these accounts totaled $24 billion, or about 17% of total deposits, and accounted for about one third of total time deposits outstanding.

In addition to time accounts, a growing influence on savings bank deposit activity in recent years has been the introduction and expansion of new deposit services including: (1) various types of third-party payment plans such as interest-bearing and noninterest-bearing NOW accounts, checking accounts and telephone transfer services; (2) tax-sheltered retirement savings programs such as IRA and Keogh accounts; and (3) direct deposit arrangements for Social Security and related disbursements (Tables 23-27). As of June 30, 1979, most of the nation's 462 savings banks were authorized to offer these services.

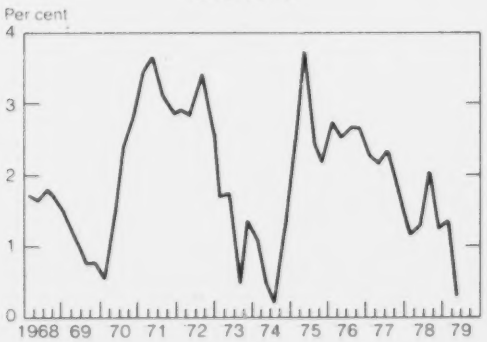
Protective Reserves

Mutual savings banks have provided protection against loss by maintaining strong reserve positions. However, the ratio of general reserve accounts to deposits has generally moved inversely to changes in deposit gains. The ratio has also been influenced by changes in the industry's earnings position (Table 32 and Chart 4). Partly reflecting sharply reduced deposit growth, the ratio of general reserve accounts to deposits of mutual savings banks increased slightly from 7.4% at the end of 1977 to 7.6% at year-end 1978. As indicated on page 9, an increasing number of savings banks have also issued debentures subordinated to deposits to bolster protective reserve positions.

Percentage Distribution of Savings and Time Deposits in Mutual Savings Banks, June 30, 1979



Percentage Change in Savings and Time Deposits of Mutual Savings Banks, 1968-1979



NOTE: Quarterly net deposit gains are seasonally adjusted and include interest.

Table 9

Total Deposits, Including Interest, in Mutual Savings Banks, by States, Selected Year-End Dates, 1945-1978

(In millions of dollars)

End of year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.	All other states
1945	15,332	8,292	2,856	1,115	932	408	158	240	203	241	349	538
1950	20,025	11,662	3,312	1,335	1,076	599	200	278	238	268	402	655
1955	28,182	16,544	4,484	1,841	1,497	1,010	290	395	315	376	490	940
1960	36,343	21,436	5,793	2,516	2,090	1,347	382	543	415	506	561	753
1965	52,443	30,392	8,449	3,680	3,195	2,032	625	843	617	807	716	1,086
1966	55,006	32,104	8,694	3,830	3,240	2,164	699	888	657	851	735	1,144
1967	60,121	35,478	9,259	4,162	3,431	2,375	799	958	710	923	770	1,256
1968	64,507	38,031	9,809	4,487	3,547	2,547	1,109	1,038	769	1,020	808	1,344
1969	67,086	39,009	10,480	4,843	3,703	2,651	1,194	1,086	836	1,045	823	1,414
1970	71,580	40,921	11,271	5,313	4,242	3,043	1,288	1,037	924	1,111	882	1,547
1971	81,440	46,271	12,673	6,094	4,971	3,622	1,538	1,178	1,057	1,255	977	1,806
1972	91,613	51,718	14,072	6,880	5,802	4,239	1,801	1,340	1,201	1,420	1,047	2,092
1973	96,496	54,024	14,712	7,419	6,209	4,555	1,947	1,449	1,307	1,565	1,107	2,203
1974	98,701	55,130	14,991	7,797	6,615	4,777	2,144	1,478	1,397	1,035	1,006	2,330
1975	109,873	60,704	16,500	8,810	7,743	5,492	2,480	1,645	1,589	1,190	1,098	2,623
1976	122,877	67,308	17,989	10,043	9,101	6,251	3,180	1,824	1,792	1,313	1,192	2,885
1977	134,017	72,812	19,258	11,207	10,469	7,030	3,438	2,025	2,020	1,418	1,294	3,046
1978	142,701	76,948	20,161	12,265	11,317	7,741	3,637	2,198	2,191	1,496	1,398	3,350

SOURCE: NAMSB.

Table 10

Net Gains in Total Deposits, Including Interest, in Mutual Savings Banks, by States, 1960-1978

(In millions of dollars)

End of year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.	All other States
1960	1,366	721	274	130	90	32	10	36	17	37	4	27
1961	1,934	970	411	196	90	63	26	52	26	43	18	40
1962	3,059	1,591	485	240	256	165	56	61	44	63	27	71
1963	3,271	1,775	533	245	262	148	48	63	43	59	27	67
1964	4,243	2,567	645	255	269	146	51	62	44	72	37	96
1965	3,594	2,053	581	228	229	163	62	62	45	64	46	60
1966	2,563	1,712	246	149	45	132	74	45	40	44	19	57
1967	5,116	3,374	565	332	191	211	100	70	54	72	35	111
1968	4,207	2,552	550	325	115	172	130	80	59	97	38	88
1969	2,540	979	672	357	157	105	47	48	66	24	16	70
1970	4,531	1,851	790	470	500	392	94	88	88	66	59	133
1971	9,737	5,226	1,402	780	729	579	250	140	133	144	94	259
1972	10,107	5,363	1,399	786	832	617	263	162	144	165	83	293
1973	4,856	2,279	640	539	407	315	146	110	106	144	60	110
1974	2,954	1,082	279	378	407	222	197	54	90	90	27	128
1975	11,173	5,574	1,508	1,012	1,127	715	336	167	192	156	92	292
1976	12,602	6,524	1,490	1,233	1,358	760	358	199	202	122	94	262
1977	11,043	5,379	1,269	1,183	1,368	778	259	211	228	105	102	162
1978	7,943	3,574	902	1,057	848	690	198	173	171	79	104	146

SOURCE: NAMSB.

Deposits and General Reserve Accounts

Table 11

Percentage Increase in Total Deposits, Including Interest, in Mutual Savings Banks, by States, 1960-1978

Year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.	All other states
1960	3.9	3.5	5.0	5.4	4.5	2.4	2.6	7.1	4.4	7.8	.7	3.7
1961	5.3	4.5	7.1	7.8	4.3	4.7	6.7	9.8	6.2	8.5	3.2	5.3
1962	8.0	7.1	7.8	8.9	11.7	11.7	13.8	10.2	10.0	11.5	4.7	8.9
1963	7.9	7.4	8.0	8.3	10.8	9.4	10.3	9.6	8.8	9.6	4.5	7.8
1964	9.5	10.0	8.9	8.0	10.0	8.5	10.0	8.6	8.4	10.7	5.8	10.3
1965	7.4	7.2	7.4	6.6	7.7	8.7	11.0	8.0	7.9	8.6	6.8	5.8
1966	4.9	5.6	2.9	4.1	1.4	6.5	11.9	5.3	6.4	5.4	2.7	5.2
1967	9.3	10.5	6.5	8.7	5.9	9.8	14.3	7.9	8.1	8.5	4.7	9.7
1968	7.0	7.2	5.9	7.8	3.4	7.2	13.3	8.3	8.3	10.5	5.0	7.0
1969	3.9	2.6	6.8	8.0	4.4	4.1	4.2	4.6	8.6	2.4	1.9	5.2
1970	6.8	4.7	7.5	9.7	13.5	14.8	7.8	8.1	10.6	6.3	7.2	9.4
1971	13.6	12.8	12.4	14.7	17.2	19.0	19.4	13.5	14.4	13.0	10.7	16.7
1972	12.4	11.6	11.0	12.9	16.7	17.0	17.1	13.7	13.6	13.2	8.5	16.2
1973	5.3	4.4	4.6	7.8	7.0	7.4	8.1	8.2	8.9	10.2	5.8	5.3
1974	3.1	2.0	1.9	5.1	6.6	4.9	10.1	3.8	6.9	9.5	2.4	5.8
1975	11.3	10.1	10.1	13.0	17.0	15.0	15.7	11.3	13.8	15.0	9.2	12.5
1976	11.5	10.7	9.0	14.0	17.5	13.8	13.2	12.1	12.7	10.3	8.5	10.0
1977	9.0	8.0	7.1	11.8	15.0	12.5	8.1	11.6	12.7	8.0	8.5	5.6
1978	5.9	4.9	4.7	9.4	8.1	9.8	5.8	8.5	8.5	5.6	8.0	4.8

SOURCE: NAMSB.

Table 12

Percentage Change in Regular Deposits, Excluding Interest, in Mutual Savings Banks, by States, 1960-1978

Year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.	All other states
1960	.4	*	1.4	2.0	1.1	-.9	-.8	3.9	.7	4.5	-2.3	.4
1961	1.6	.8	3.3	4.0	.8	1.0	3.1	5.8	2.9	4.6	*	2.5
1962	3.9	2.9	3.6	4.8	7.8	8.0	9.8	6.3	6.3	7.8	1.2	5.6
1963	3.8	3.2	3.7	4.1	6.7	5.3	6.3	5.3	4.8	5.2	.5	4.8
1964	5.2	5.6	4.5	3.9	5.9	4.4	6.1	4.3	4.4	7.0	2.0	7.0
1965	3.1	2.9	3.1	2.6	3.7	4.6	6.7	3.4	3.7	4.6	2.4	2.6
1966	.4	1.0	-1.4	-.1	-2.6	2.5	6.3	.6	2.7	1.1	-1.3	1.8
1967	4.4	5.3	1.7	3.9	2.2	5.3	9.1	2.4	3.4	4.4	.7	5.5
1968	2.0	2.0	1.1	2.7	-.5	2.3	7.8	2.9	3.9	5.4	.3	2.0
1969	-1.1	-2.6	1.6	2.9	.3	-.6	-.9	-.6	3.5	-2.7	-2.4	.1
1970	1.4	-.4	1.7	4.4	8.4	8.7	2.8	2.1	5.2	.8	2.3	4.5
1971	8.0	7.3	6.5	9.2	11.9	12.6	13.6	7.1	9.0	7.9	5.0	11.5
1972	6.7	5.9	5.1	7.5	12.1	10.5	11.9	8.3	7.9	8.3	3.2	11.0
1973	-.5	-1.3	-1.5	2.1	1.4	1.5	2.6	1.9	3.2	4.4	-.4	*
1974	-2.9	-4.0	-4.1	-1.0	.3	-1.8	3.8	-2.6	1.2	3.5	-2.6	1.5
1975	4.8	3.7	3.6	6.7	10.9	7.5	8.8	5.6	7.3	9.0	3.4	5.7
1976	4.8	4.0	2.8	7.1	11.3	6.8	7.3	5.3	6.2	4.2	2.1	4.6
1977	2.4	1.3	.7	4.9	8.8	4.6	1.9	4.7	6.2	2.1	2.3	-.7
1978	-.4	-1.5	-1.5	2.9	2.0	3.2	-.8	2.3	2.1	-1.1	2.0	-2.0

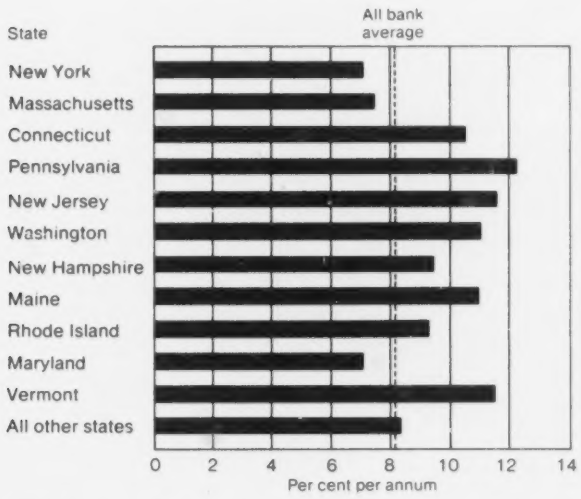
*Less than .05%.

NOTE: Regular deposits include savings and time deposits. Data are based on amounts deposited less amounts withdrawn, excluding interest credited, in regular accounts. See note to Table 18.

SOURCE: NAMSB.

Chart 2

Average Annual Percentage Gains in Regular Deposits, Including Interest, in Mutual Savings Banks, by States, 1969-1978



NOTE: See note to Table 18.
SOURCE: NAMSB

Table 13

Deposits in Mutual Savings Banks, by Type of Account, Selected Year-End Dates, 1930-1978

(In millions of dollars)

Year	Total	Regular		
		Total	Savings	Time
1930	9,465	n.a.	n.a.	n.a.
1940	10,618	10,584	n.a.	n.a.
1945	15,332	15,287	n.a.	n.a.
1950	20,025	19,893	n.a.	n.a.
1960	36,343	36,086	n.a.	n.a.
1970	71,580	71,157	59,345	11,812
1971	81,440	81,082	63,976	17,106
1972	91,613	91,214	68,238	22,976
1973	96,496	96,056	65,221	30,836
1974	98,701	98,221	64,286	33,935
1975	109,873	109,291	69,653	39,639
1976	122,877	121,961	74,535	47,426
1977	134,017	132,744	78,005	54,739
1978	142,701	141,170	71,816	69,354

n.a. — not available or not applicable.
NOTE: See note to Table 18 for description of deposit categories. Total deposit data include "Other" deposits not shown separately.
SOURCE: NAMSB.

Table 14

Net Deposit Gains, Including Interest, In Mutual Savings Banks, by Type of Account, 1965-1978

(In millions of dollars)

Year	Total	Regular		
		Total	Savings	Time
1965	3,594	3,582	n.a.	n.a.
1966	2,563	2,557	n.a.	n.a.
1967	5,116	5,085	n.a.	n.a.
1968	4,207	4,200	n.a.	n.a.
1969	2,540	2,511	n.a.	n.a.
1970	4,531	4,515	n.a.	n.a.
1971	9,737	9,648	4,354	5,294
1972	10,107	10,067	4,208	5,859
1973	4,856	4,815	-3,041	7,857
1974	2,954	2,907	-440	3,347
1975	11,173	11,070	5,366	5,704
1976	12,602	12,269	4,663	7,605
1977	11,043	10,687	3,424	7,262
1978	7,943	7,697	-6,488	14,186

n.a. — not available.
NOTE: See note to Table 18 for description of deposit categories. Total deposit data include "Other" deposits not shown separately.
SOURCE: NAMSB.

Table 15

Number of Accounts in Mutual Savings Banks, by Type of Account, Year-End Dates, 1965-1978

(In thousands)

End of Year	Total	Regular		
		Total	Savings	Time
1965	22,326	18,045	n.a.	n.a.
1966	22,584	18,429	n.a.	n.a.
1967	22,941	18,855	n.a.	n.a.
1968	23,300	19,437	n.a.	n.a.
1969	23,648	19,901	n.a.	n.a.
1970	24,967	21,167	n.a.	n.a.
1971	25,748	22,279	19,678	2,601
1972	26,947	23,531	20,112	3,419
1973	28,333	25,025	20,292	4,733
1974	28,508	25,304	20,129	5,175
1975	29,712	26,284	20,407	5,877
1976	31,475	27,533	20,773	6,760
1977	33,302	28,825	21,308	7,517
1978	35,476	30,472	21,883	8,589

n.a. — not available.
NOTE: See note to Table 18 for description of deposit categories. Total accounts data include "Other" accounts not shown separately.
SOURCE: NAMSB.

Deposits and General Reserve Accounts

Table 16

Average Size of Accounts in Mutual Savings Banks, Year-End Dates, 1965-1978

(In dollars)

Year	Total	Regular		
		Total	Savings	Time
1965	2,349	2,888	n.a.	n.a.
1966	2,436	2,966	n.a.	n.a.
1967	2,621	3,169	n.a.	n.a.
1968	2,769	3,299	n.a.	n.a.
1969	2,837	3,351	n.a.	n.a.
1970	2,867	3,362	n.a.	n.a.
1971	3,163	3,639	3,251	6,577
1972	3,400	3,876	3,393	6,719
1973	3,406	3,838	3,214	6,514
1974	3,462	3,882	3,194	6,557
1975	3,698	4,158	3,413	6,744
1976	3,904	4,430	3,588	7,015
1977	4,024	4,605	3,661	7,282
1978	4,022	4,633	3,282	8,075

n.a. — not available.
NOTE: See Table 18 for description of deposit and account categories. Total deposit data include "Other" deposits not shown separately.
SOURCE: NAMSB.

Table 17

Time Deposits as Per Cent of Total Savings and Time Deposits in Mutual Savings Banks, by States, Year-End Dates, 1974-1978

State	1974	1975	1976	1977	1978
New York	33.8	35.7	38.7	41.3	50.2
Massachusetts	35.5	36.7	38.8	40.3	45.0
Connecticut	32.5	34.9	38.4	40.7	48.9
Pennsylvania	37.1	39.1	41.8	45.1	53.0
New Jersey	38.0	38.2	39.8	41.1	48.9
Washington	41.1	38.4	39.7	41.4	50.2
New Hampshire	31.4	33.5	36.3	38.8	45.6
Maine	25.3	28.2	30.6	34.2	41.0
Rhode Island	43.1	46.2	47.9	47.9	45.0
Maryland	16.9	17.9	19.1	21.5	30.3
Vermont	36.9	40.9	42.9	47.5	54.9
All other states	47.0	47.2	45.7	45.1	53.5
TOTAL	34.5	36.3	38.9	41.2	49.1

NOTE: See note to Table 18.
SOURCE: NAMSB.

Table 18

Deposits, Number of Accounts and Average Size of Accounts in Mutual Savings Banks, by States, December 31, 1978

State	Deposits (in millions of dollars)					Number of accounts (in thousands)		Average size of accounts (in dollars)	
	Total	Regular deposits			Other	Total	Regular	Total	Regular
		Total	Savings	Time					
New York	76,948	76,081	37,898	38,183	868	17,316	14,731	4,444	5,165
Massachusetts	20,161	20,133	11,065	9,069	27	5,803	5,448	3,474	3,695
Connecticut	12,265	12,126	6,194	5,932	139	3,481	2,901	3,523	4,179
Pennsylvania	11,317	11,236	5,284	5,952	81	2,868	2,438	3,946	4,609
New Jersey	7,741	7,484	3,821	3,663	257	2,070	1,484	3,739	5,044
Washington	3,637	3,631	1,809	1,822	6	785	766	4,634	4,738
New Hampshire	2,198	2,193	1,194	1,000	4	656	603	3,350	3,635
Maine	2,191	2,172	1,280	892	19	701	587	3,124	3,702
Rhode Island	1,496	1,493	821	672	4	447	395	3,348	3,775
Maryland	1,398	1,341	935	406	57	491	384	2,844	3,492
Minnesota	864	858	376	481	6	195	178	4,418	4,815
Delaware	848	823	464	359	25	246	205	3,447	4,022
Vermont	748	737	332	405	11	202	169	3,703	4,359
Oregon	418	408	149	259	10	94	86	4,453	4,737
Indiana	228	211	85	126	17	68	48	3,358	4,349
Alaska	172	172	72	100	—	28	28	6,108	6,154
Wisconsin	73	72	35	37	1	24	20	3,089	3,597
TOTAL	142,701	141,170	71,816	69,354	1,531	35,476	30,472	4,022	4,633

NOTE: Regular deposits include savings and time deposits. Savings deposits refer to all ordinary passbook or statement type savings accounts and interest-bearing NOW accounts. Time deposits consist of certificates, special notice accounts, term and other time deposits. "Other" deposits include all school, club, checking, non interest-bearing NOW accounts and certain other accounts. Deposit data exclude mortgagors' escrow accounts.
SOURCE: NAMSB.

Table 19

Savings and Time Accounts in Selected Types of Financial Institutions, by Type of Accounts 1975-1978

End of Year	Amounts (in millions of dollars) Total	Savings	Time	Time as per cent of total
Mutual savings banks				
1975	109,291	69,653	39,639	36.3
1976	121,961	74,535	47,426	38.9
1977	132,744	78,005	54,739	41.2
1978	141,170	71,816	69,354	49.1
Savings and loan associations				
1975	278,774	119,050	159,724	57.3
1976	328,214	132,407	195,806	59.7
1977	378,782	143,690	235,092	62.1
1978	422,194	134,762	287,433	68.1
Commercial banks*				
1975	302,423	165,470	136,953	45.3
1976	362,246	204,603	157,643	43.5
1977	387,340	218,539	168,801	43.6
1978	405,105	214,791	190,314	47.0

*Commercial bank data are as of January 31, 1976, January 26, 1977, January 25, 1978 and January 31, 1979.
NOTE: Commercial bank data refer to ordinary passbook savings deposits and time deposits in denominations of less than $100,000 at insured institutions and exclude club accounts. Data for savings and loan associations refer to FSLIC-insured institutions.
SOURCE: FDIC, FHLBB, FRB and NAMSB.

Table 20

6-Month CD Growth in Mutual Savings Banks, Monthly, 1978-1979

(Amounts in billions of dollars)

	Net Change	Outstandings Amount (end of month)	Per cent of total savings and time deposits	6-Month CD ceiling rate* (in per cent)
1978—June	2.0	2.0	1.5	7.45
July	1.8	3.8	2.8	7.72
August	1.1	4.9	3.6	7.61
September	1.5	6.4	4.6	8.19
October	2.5	8.9	6.4	8.74
November	2.3	11.2	8.0	9.45
December	1.8	13.0	9.2	9.64
1979—January	4.2	17.2	12.2	9.75
February	1.9	19.1	13.4	9.59
March	2.4	21.5	14.9	9.55
April	1.9	23.4	16.3	9.49
May	.5	23.9	16.7	9.53
June	.5	24.4	17.0	9.11
Julyp	1.2	25.6	17.8	9.19

*Represents average of weekly rates for indicated month.
p — preliminary.
SOURCE: NAMSB.

Table 21

6-Month Money Market Certificates in Mutual Savings Banks, by States, June 30, 1979

(Amounts in millions of dollars)

State	Amount outstanding	Per cent of savings and time deposits	Per cent of time deposits
New York	13,752	17.9	33.1
City	10,589	18.7	34.8
Upstate	3,163	15.4	28.5
Massachusetts	2,691	13.1	27.4
Boston	766	15.5	29.7
Outside Boston	1,925	12.4	26.5
Connecticut	2,269	18.1	34.5
Pennsylvania	1,664	14.3	25.1
New Jersey	1,721	21.9	41.4
Washington	777	21.0	37.5
New Hampshire	355	15.6	31.4
Maine	369	16.3	35.4
Rhode Island	224	14.5	29.3
Maryland	204	14.3	39.5
Vermont	111	14.6	25.3
All other states	308	12.0	21.3
TOTAL	24,445	17.0	32.1

NOTE: Data for some states are partly estimated.
SOURCE: NAMSB.

Table 22

6-Month Money Market Certificates in Selected Types of Financial Institutions, June 30, 1979

(Amounts in billions of dollars)

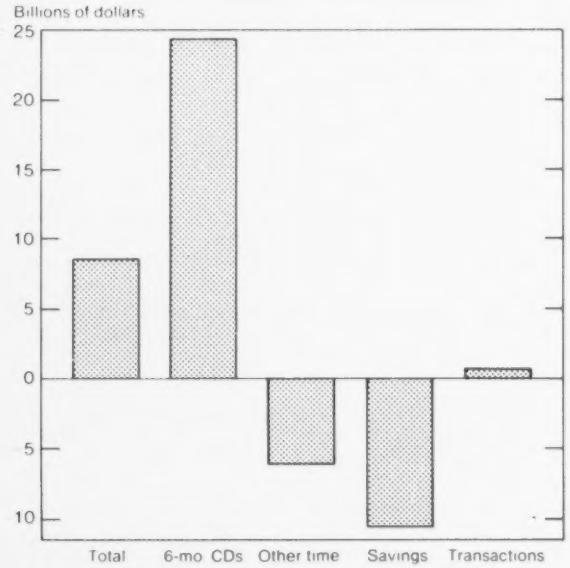
Type of institution	Outstanding balances in 6-month CDs Amount	Per cent of total	6-month CDs outstanding as per cent of savings and time deposits
Mutual savings banks	24.4	14.1	17.0
Commercial banks	59.3	34.3	13.8
Savings and loan associations	89.1	51.6	19.6
TOTAL	172.8	100.0	—

SOURCE: FRB, NAMSB and USLSA.

Deposits and General Reserve Accounts

Chart 3

Net Deposit Change, Including Interest, at Mutual Savings Banks by Type of Account, June 1978-June 1979



NOTE: Transactions accounts include checking and both interest-bearing and noninterest-bearing NOW accounts. Data shown in this chart are for the period May 31, 1978 — June 30, 1979. Total includes data for certain types of deposits not shown separately.
SOURCE: NAMSB.

Table 23

Individual Retirement Accounts in Mutual Savings Banks, by States, December 31, 1978

State	Amounts outstanding (in thousands of dollars)	Number of accounts	Average size of account (in dollars)	Per cent of banks offering IRAs
New York	957,297	299,514	3,196	98
Massachusetts	110,419	39,116	2,823	93
Connecticut	115,817	35,342	3,277	92
Pennsylvania	119,884	54,947	2,182	100
New Jersey	58,267	20,428	2,852	79
Washington	28,478	12,005	2,372	100
New Hampshire	13,114	3,792	3,458	92
Maine	11,663	4,806	2,427	82
Rhode Island	8,212	4,084	2,011	83
Vermont	4,991	1,459	3,421	100
All other states	21,228	7,072	3,002	86
TOTAL	1,449,370	482,565	3,003	93

NOTE: Data refer to Individual Retirement Accounts which offer tax-sheltered retirement savings programs for persons otherwise not covered by qualified retirement plans. Offerings of these accounts were authorized for the first time under the Employee Retirement Income Security Act of 1974. Data shown in this table are based on reports from 440 savings banks representing 95% of total industry deposits.
SOURCE: NAMSB.

Table 24

Keogh Retirement Accounts in Mutual Savings Banks, by States, December 31, 1978

State	Amounts outstanding (in thousands of dollars)	Number of individuals covered	Average per capita balance (in dollars)	Per cent of banks offering Keogh accounts
New York	612,594	108,385	5,652	92
Massachusetts	52,307	9,480	5,518	76
Connecticut	15,808	3,882	4,072	31
Pennsylvania	39,129	10,160	3,851	75
New Jersey	38,977	6,136	6,352	68
Washington	15,643	2,661	5,879	63
New Hampshire	3,392	517	6,562	52
Maine	294	40	7,361	18
All other states	8,065	5,441	5,597	31
TOTAL	786,208	142,702	5,509	65

NOTE: Keogh accounts refer to tax-sheltered savings plans for self-employed persons, first authorized in the Employee Retirement Security Act of 1962 and liberalized in the Employee Retirement Income Security Act of 1974. See note to Table 23.
SOURCE: NAMSB.

Table 25

Number of Checks Received Under the Direct Deposit Program, Selected Types of Financial Institutions, by Savings Bank States, May 1979

State	Total	Mutual savings banks	Commercial banks	Savings and loan associations
New York	826,458	246,161	508,154	72,143
Massachusetts	281,738	92,720	158,895	30,123
Connecticut	135,203	30,975	93,670	10,558
Pennsylvania	441,510	27,527	391,028	22,955
New Jersey	271,756	33,039	211,596	27,121
Washington	258,217	9,860	235,336	13,021
New Hampshire	47,353	10,848	32,966	3,539
Maine	51,733	8,648	40,939	2,146
Rhode Island	41,367	3,245	36,823	1,299
Maryland	123,831	3,822	110,883	9,126
Vermont	22,983	389	22,283	311
All other states	793,865	7,283	757,237	29,345
TOTAL	3,296,014	474,517	2,599,810	221,687

SOURCE: U.S. Treasury Department.

Table 26

Checking Deposits in Mutual Savings Banks, by States, December 31,1978

State	Number of savings banks	Number of banks offering accounts	Amounts (thousands of dollars)	Per cent of total deposits
New York	115	113	559,142	.7
Connecticut	65	49	109,149	.9
Maine	30	27	15,548	.7
New Jersey	20	20	203,328	2.6
Indiana	4	3	16,464	7.2
Maryland	3	3	34,534	2.5
Other states	16	13	31,724	.9
TOTAL, states where authorized	253	228	969,889	.9

NOTE: See Table 77.
SOURCE: NAMSB and state savings bank associations.

Table 27

NOW Deposits in Mutual Savings Banks, by States, December 31,1978

State	Number of savings banks	Number of banks offering accounts	Amounts (thousands of dollars)	Per cent of total deposits
Massachusetts	163	157	750,728	3.7
New York	115	42	29,841	*
Connecticut	65	48	69,181	.6
Maine	30	27	38,589	1.8
New Hampshire	26	25	93,364	4.3
Pennsylvania	8	4	20,532	.2
Other states	22	11	7,905	-.1
TOTAL, states where authorized	429	314	1,010,140	.8

*Less than .05%.
NOTE: NOW accounts refer to interest-bearing non-passbook savings accounts from which withdrawls may be made by negotiable orders of withdrawl. Data for Pennsylvania refer to non-interest bearing negotiable orders of withdrawl. See Table 77.
SOURCE: Mutual Savings Central Fund, Inc., Massachusetts, NAMSB and state savings bank associations.

Table 28

Deposit Activity in Regular Accounts in Mutual Savings Banks, 1960-1978

(In millions of dollars)

Years	Amounts deposited	Amounts withdrawn	Net new money	Interest	net deposit gains	Percentage increase in regular deposits
1960	9,470	9,317	153	1,209	1,362	3.9
1961	10,408	9,825	583	1,330	1,913	5.3
1962	11,413	9,930	1,483	1,555	3,038	8.0
1963	12,230	10,691	1,539	1,716	3,255	7.9
1964	14,165	11,847	2,319	1,918	4,237	9.6
1965	14,587	13,063	1,525	2,057	3,582	7.4
1966	16,018	15,795	224	2,333	2,557	4.9
1967	17,929	15,547	2,382	2,702	5,085	9.3
1968	19,892	18,728	1,164	3,036	4,200	7.0
1969	21,335	22,064	-729	3,240	2,511	3.9
1970	30,207	29,267	941	3,575	4,515	6.8
1971	33,462	27,769	5,693	3,955	9,648	13.6
1972	40,333	34,883	5,451	4,616	10,067	12.4
1973	47,522	47,964	-442	5,258	4,815	5.3
1974	46,187	49,010	-2,823	5,730	2,907	3.0
1975	53,125	48,369	4,757	6,313	11,070	11.3
1976	62,429	57,147	5,283	6,986	12,269	11.2
1977	73,306	70,431	2,874	7,813	10,687	8.8
1978	91,967	92,558	-591	8,289	7,697	5.8

NOTE: See note to Table 18.
SOURCE: NAMSB.

Table 29

Deposit Activity in Regular Accounts in Mutual Savings Banks, Monthly, 1970-1979

(In millions of dollars)

Year	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
						Amounts deposited							
1970	2,478	2,014	2,693	4,378	2,089	2,426	3,535	1,869	1,957	2,564	1,837	2,366	30,207
1971	3,210	2,405	3,079	3,561	2,451	2,711	3,202	2,357	2,327	2,879	2,470	2,809	33,462
1972	3,947	2,988	3,584	4,251	3,055	3,436	3,968	2,935	2,765	3,653	2,797	2,955	40,333
1973	4,786	2,815	3,423	4,336	3,298	3,392	5,277	6,052	3,184	4,358	3,452	3,149	47,522
1974	4,783	3,138	3,631	5,050	3,558	3,341	4,903	3,430	3,204	4,354	3,199	3,596	46,187
1975	5,528	3,706	4,564	5,696	4,283	4,758	5,052	3,577	3,648	4,602	3,500	4,210	53,125
1976	5,741	4,680	5,539	6,167	4,470	4,985	5,662	4,640	4,662	5,606	4,765	5,512	62,429
1977	6,365	4,664	5,669	6,273	5,377	5,790	6,957	7,939	5,887	6,703	5,729	5,953	73,306
1978	7,371	5,299	6,754	7,307	6,564	8,648	9,120	7,613	7,126	8,990	8,061	9,115	91,967
1979p	12,303	7,179	9,350	10,196	9,007	9,691	12,494						
						Amounts withdrawn							
1970	2,718	1,854	2,782	4,514	1,865	2,548	3,360	1,787	1,965	2,427	1,449	1,997	29,267
1971	2,573	1,594	2,125	2,910	1,740	2,421	2,925	2,162	2,222	2,655	1,958	2,484	27,769
1972	3,231	2,179	2,812	3,971	2,523	3,150	3,554	2,642	2,546	3,361	2,282	2,632	34,883
1973	4,191	2,413	3,143	4,424	2,933	3,413	5,881	6,703	3,797	4,695	3,186	3,186	47,964
1974	4,737	2,796	3,324	5,695	3,740	3,712	5,637	4,267	3,893	4,614	2,963	3,633	49,010
1975	5,278	2,998	3,535	5,301	3,353	4,012	4,788	3,599	3,986	4,472	2,951	4,096	48,369
1976	4,931	3,893	4,673	5,815	3,908	5,021	5,329	4,594	4,587	5,025	4,226	5,144	57,147
1977	5,720	4,079	5,046	6,441	4,799	5,706	6,561	7,951	6,024	6,407	5,630	6,068	70,431
1978	7,430	5,129	6,416	7,860	6,466	8,738	9,081	7,688	7,167	8,942	8,121	9,520	92,558
1979p	12,421	6,837	8,887	11,388	9,348	10,340	13,208						
						Net new money							
1970	-240	160	-88	-136	224	-121	174	81	-8	138	388	370	941
1971	637	811	955	651	710	291	276	195	105	224	512	325	5,693
1972	716	809	773	280	533	286	414	293	218	292	515	323	5,451
1973	595	402	280	-88	366	-21	-603	-651	-613	-337	265	-37	-442
1974	46	341	308	-645	-182	-370	-733	-837	-689	-260	236	-37	-2,823
1975	250	708	1,029	395	930	746	264	-21	-338	131	549	114	4,757
1976	810	787	866	352	561	-36	333	47	75	582	539	367	5,283
1977	645	585	623	-168	577	84	397	-12	-137	296	99	-115	2,874
1978	-59	170	338	-553	97	-90	38	-75	-41	48	-59	-405	-591
1979p	-118	342	463	-1,192	-341	-649	-714						
						Interest							
1970	126	86	598	141	102	626	123	95	582	139	109	848	3,575
1971	153	95	650	150	109	705	139	105	687	158	119	884	3,955
1972	140	122	734	184	136	868	168	127	797	178	151	1,010	4,616
1973	171	149	823	184	160	930	192	145	896	188	174	1,247	5,258
1974	211	179	932	204	188	1,116	213	191	1,008	185	213	1,090	5,730
1975	221	202	1,023	231	213	1,124	245	218	1,123	217	215	1,280	6,313
1976	227	231	1,162	234	240	1,260	235	261	1,232	253	261	1,390	6,986
1977	268	262	1,279	275	278	1,400	280	294	1,337	291	307	1,540	7,813
1978	297	306	1,374	289	339	1,393	303	335	1,396	305	334	1,618	8,289
1979p	336	340	1,509	374	402	1,539	396						
						Net gains in total regular deposits, including interest							
1970	-114	246	510	5	326	504	297	176	574	276	497	1,218	4,515
1971	791	906	-1,604	801	819	995	416	300	792	382	632	1,209	9,648
1972	856	931	1,507	464	669	1,154	582	419	1,015	470	666	1,333	10,067
1973	766	551	1,102	96	526	910	-412	-506	283	-150	440	1,210	4,815
1974	257	521	1,240	-441	6	745	-521	-646	319	-74	449	1,053	2,907
1975	471	909	2,052	626	1,143	1,871	509	197	785	348	765	1,394	11,070
1976	1,037	1,018	2,029	586	801	1,224	568	307	1,308	835	800	1,757	12,269
1977	913	847	1,903	107	855	1,484	677	282	1,200	587	406	1,426	10,687
1978	238	476	1,712	-264	436	1,303	341	260	1,354	354	275	1,213	7,697
1979p	218	682	1,971	-818	61	890	-318						

(continued)

Table 29 (continued)

Deposit Activity in Regular Accounts in Mutual Savings Banks, Monthly, 1972-1979

(In millions of dollars)

Year	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
						Net gains in savings deposits, including interest							
1972	-64	546	987	-21	362	891	-157	106	441	-141	344	914	4,208
1973	-411	257	654	-573	270	432	-1,260	-2,086	-58	-937	-56	726	-3,041
1974	-480	185	805	-558	-183	330	-582	-665	12	-155	233	617	-440
1975	-45	536	1,460	224	815	1,241	-10	-72	301	-73	428	560	5,366
1976	252	667	1,289	-59	355	607	293	-361	612	126	262	621	4,663
1977	92	417	1,222	76	48	649	37	93	478	-189	-43	546	3,424
1978	-440	83	946	-643	103	-952	-1,205	-538	-163	-1,299	-1,727	-653	-6,488
1979p	-2,572	-427	13	-1,071	-181	527	-567						
						Net gains in time deposits, including interest							
1972	921	385	520	485	306	264	739	313	574	611	322	419	5,859
1973	1,177	294	449	669	255	478	848	1,580	340	787	495	484	7,857
1974	737	335	434	116	189	416	61	19	307	80	216	436	3,347
1975	516	373	592	402	328	629	518	269	484	422	336	834	5,704
1976	785	351	740	645	446	618	275	669	696	709	537	1,136	7,605
1977	821	430	680	31	808	835	641	189	722	776	449	880	7,262
1978	678	392	767	378	333	2,255	1,546	798	1,517	1,653	2,002	1,866	14,186
1979p	2,791	1,109	1,959	253	242	363	249						

p — preliminary.
NOTE: Data on amounts deposited and amounts withdrawn reflect shifts among different types of accounts. See note to Table 18 for description of deposit categories. Data for savings and time deposits are not available prior to 1972.
SOURCE: NAMSB.

Table 30

Net Deposit Gains, Including Interest, in Mutual Savings Banks, Seasonally Adjusted Annual Rates, Monthly, 1965-1979

(In billions of dollars)

Year	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
1965	4.7	3.0	3.6	3.6	3.2	3.5	4.0	3.4	3.6	3.6	3.7	3.3	3.6
1966	3.1	2.9	1.3	*	2.1	1.0	4.0	2.8	2.9	3.3	3.4	3.9	2.6
1967	5.6	4.3	5.5	6.7	5.8	5.8	5.3	4.8	5.0	4.5	4.3	3.3	5.1
1968	3.7	4.5	4.0	3.8	4.3	3.8	5.5	3.7	4.2	4.5	4.6	3.7	4.2
1969	3.1	4.2	3.7	2.6	3.3	2.1	1.8	2.0	1.8	.5	3.4	2.1	2.5
1970	.6	2.0	1.8	3.8	3.8	4.2	5.3	7.5	6.8	7.1	7.8	8.4	4.5
1971	8.4	8.6	12.8	12.1	10.4	10.0	9.0	9.9	9.3	8.3	9.4	9.3	9.6
1972	9.5	8.6	10.5	8.7	8.8	11.2	11.3	12.2	11.8	9.8	9.4	8.1	10.1
1973	10.4	3.9	4.2	4.8	7.3	7.4	.1	2.0	2.9	2.6	6.4	6.6	4.8
1974	3.5	4.0	5.1	.8	1.2	5.2	1.7	.6	3.2	3.6	6.2	4.9	2.9
1975	6.1	9.4	14.3	12.7	15.0	17.6	10.5	11.2	8.3	9.3	10.0	8.8	11.1
1976	11.9	11.5	12.8	13.6	11.1	9.2	10.9	12.6	13.7	15.7	9.9	12.6	12.3
1977	13.1	9.9	9.7	8.8	11.8	11.3	12.0	12.5	11.6	13.5	5.5	8.2	10.7
1978	5.7	5.9	6.4	5.3	6.7	8.7	8.0	12.6	12.9	11.5	4.5	4.4	7.7
1979p	5.3	8.5	8.7	-.9	2.3	3.3	*						

*Less than $50 million.
p — preliminary.
NOTE: Seasonally adjusted annual rates refer to net deposit gains in regular accounts as shown in Table 29.
SOURCE: FRB and NAMSB.

Deposits and General Reserve Accounts

Table 31

Net Deposit Gains in Mutual Savings Banks, Seasonally Adjusted Annual Rates, Quarterly, 1960-1979

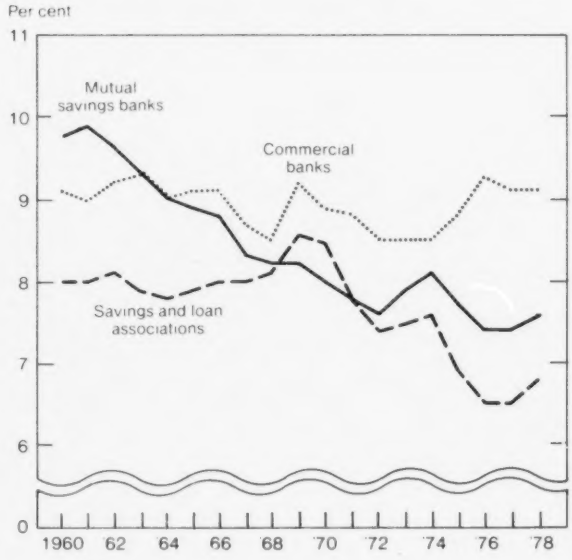
(In billions of dollars)

Year	I	II	III	IV	Total
1960	.7	1.0	1.8	1.9	1.4
1961	2.1	2.1	1.9	1.6	1.9
1962	2.6	2.8	3.4	3.4	3.1
1963	3.2	3.3	3.1	3.4	3.3
1964	3.9	4.2	4.7	4.2	4.2
1965	3.8	3.3	3.7	3.5	3.6
1966	2.5	.9	3.3	3.5	2.6
1967	5.1	5.9	5.3	4.1	5.1
1968	4.1	3.7	4.5	4.5	4.2
1969	3.5	2.4	2.1	2.3	2.5
1970	1.0	3.7	5.9	7.1	4.5
1971	11.5	10.8	8.4	8.8	9.7
1972	11.0	9.2	11.4	9.1	10.1
1973	7.0	6.2	1.3	4.4	4.9
1974	5.7	1.4	.6	4.9	3.0
1975	10.9	14.8	9.9	9.1	11.2
1976	13.4	11.2	14.3	13.2	12.6
1977	11.6	10.7	12.8	9.4	11.0
1978	8.2	7.1	11.6	7.5	7.9
1979p	7.3				

p — preliminary.
NOTE: Data include interest credited. Figures refer to total deposits.
SOURCE: FRB and NAMSB.

Chart 4

Ratio of Capital or General Reserve Accounts to Deposits or Savings, Selected Types of Financial Institutions, 1960-1978



NOTE: Data are as of year-end. See notes to Tables 1 and 32.
SOURCE: FHLBB, FRB and NAMSB.

Table 32

Ratio of General Reserve Accounts to Deposits of Mutual Savings Banks, by State, Selected Years, 1900-1978

(In per cent)

Year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.
1900	9.3	12.5	6.5	5.7	9.1	8.8	—	15.2	5.4	4.5	3.7
1910	8.8	9.7	7.6	6.3	10.5	7.7	—	14.3	8.6	7.5	5.6
1920	8.1	7.8	8.9	7.6	7.6	8.0	2.8	8.3	9.2	7.3	8.2
1930	11.5	13.2	8.9	11.8	8.3	11.8	2.9	11.4	11.8	8.8	10.2
1940	11.9	13.0	11.3	11.6	7.7	12.0	5.7	11.7	14.0	7.9	11.8
1945	10.6	10.8	10.7	12.2	8.0	12.4	5.9	11.7	13.0	8.8	11.3
1950	11.4	10.8	12.7	12.5	13.1	11.7	7.9	14.0	14.7	10.1	11.8
1955	10.1	9.7	11.5	11.0	10.5	9.0	8.5	12.8	13.6	9.6	10.0
1960	9.8	9.4	11.2	10.4	8.6	9.0	9.1	12.3	12.5	8.9	9.5
1966	8.8	8.5	10.1	9.7	8.1	7.7	8.1	10.4	10.8	7.5	8.3
1970	8.0	7.6	9.1	9.1	7.3	6.8	7.7	9.9	9.7	8.3	8.3
1971	7.8	7.5	8.7	8.7	6.9	6.3	7.2	9.6	9.2	8.3	8.7
1972	7.6	7.3	8.5	8.5	6.6	6.4	7.0	9.4	9.1	8.0	8.5
1973	7.9	7.6	8.8	9.1	6.9	6.7	7.4	9.7	9.2	8.9	8.5
1974	8.1	7.8	9.1	9.3	6.9	6.9	7.1	10.8	9.3	9.2	9.0
1975	7.7	7.4	8.7	8.9	6.6	6.5	6.7	10.0	8.8	8.5	8.9
1976	7.4	7.1	8.5	8.3	6.4	6.3	6.5	9.6	8.7	8.3	9.0
1977	7.4	7.1	8.6	8.2	6.3	6.9	7.0	9.5	8.6	8.5	9.2
1978	7.6	7.3	8.8	8.2	6.6	7.0	7.7	9.8	8.9	9.2	9.6

NOTE: Total includes data for states not shown separately. End-of-year data except for 1900 to 1920 which are as of mid-year. General reserve data underlying the ratio shown in this table include valuation reserves against specific assets beginning in 1971 and exclude valuation reserves for prior years. See Table 1.
SOURCE: FRB and NAMSB.

III — Capital Market Investments of Mutual Savings Banks

The basic goal of savings bank investment policy is to channel funds into productive outlets that will earn maximum returns for savers consistent with safety and liquidity. Mutual savings banks have generally pursued this goal through investment in mortgages, although they have the authority to invest their resources in a variety of assets.

The strong mortgage orientation of savings banks is reflected in the ratio of industry mortgage holdings to total assets. At mid-1979, this amounted to 60%, excluding mortgage-backed securities. Including mortgage-backed securities, savings bank holdings of mortgage-type investments represented two-thirds of total assests.

Holdings of GNMAs have become increasingly important in savings bank mortgage investment activity since inception of the program in 1970 and, from the start, savings banks have been major purchasers of these securities. In 1978, net purchases of GNMAs amounted to $1.6 billion, bringing industry portfolios to $10 billion or 15% of the $67.3 billion issued by year-end. Additional acquisitions in 1979 have further expanded holdings by savings banks to over $11 billion by mid-year.

Factors Influencing Mortgage Activity

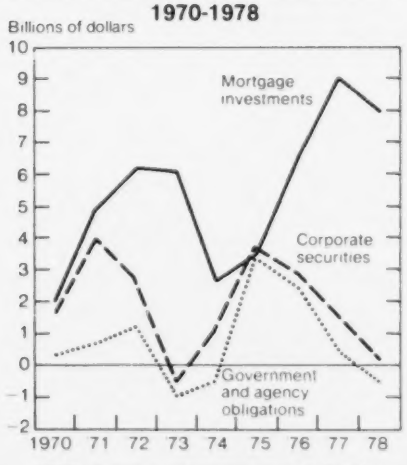
Variations in the volume of new mortgage loans acquired by mutual savings banks have partially reflected changes in the supply of investable funds — mainly deposit inflows and mortgage repayments. Of the two, deposit inflow has been a highly variable source of funds for mortgage investments while repayments on outstanding mortgages have generally followed an irregular upward trend in recent years. Savings bank mortgage lending patterns have also been influenced by variations in the strength of mortgage credit demands and changes in the competitive yield position of mortgage loans.

In 1978, gross mortgage acquisitions of savings banks totaled a record $16.9 billion in the face of a marked deterioration in deposit flows. The slackening in deposit activity, however, was partially offset by increases in investable funds available from mortgage repayments and sharply reduced purchases of securities. High-level mortgage lending by savings banks last year also reflected exceptionally strong housing demands stemming from rapid growth in the home buying age groups and from the investment attractiveness of homes as a hedge against inflation. Attractive yields on residential loans in areas not subject to unrealistic usury ceilings also contributed significantly to the industry's high level of mortgage lending activity. This pace began to slow in the first half of 1979 as deposit flows weakened further and housing activity slipped below year-earlier levels.

As savings banks have expanded mortgage portfolios in the 1970s, their net acquisitions of corporate securities and government obligations have declined, although 1975 and 1976 witnessed sharp increases. In 1978 and early 1979, sharp cutbacks in the acquisition of nonmortgage assets were made to accumulate sufficient funds for maintaining high level mortgage lending. Nevertheless, portfolios of federally-sponsored agency, state and local government and corporate securities have generally shown a long-term upward trend (Tables 42 and 44).

The increased volatility of deposit flows in recent years has also intensified savings bank efforts to maintain adequate positions in liquid assets such as cash, federal funds, open-market paper and short-term marketable securities. In 1978 and early 1979, maintaining strong liquidity positions was a major objective of mutual savings banks, owing to the deterioration in industry deposit trends and uncertainties regarding roll-over problems with maturing 6-month CD accounts. Industry holdings of cash and investments maturing within one year represented 6.5% of deposits at the end of 1978, up from 5.6% a year earlier and the 5.1% level in the comparable 1974 period of deposit outflows.

Net Changes in Selected Capital Market Investments of Mutual Savings Banks, 1970-1978



NOTE: Mortgage investments include GNMAs.

Percentage Distribution of Mortgage Holdings at Mutual Savings Banks, by Type of Property and Loan, December 31, 1978

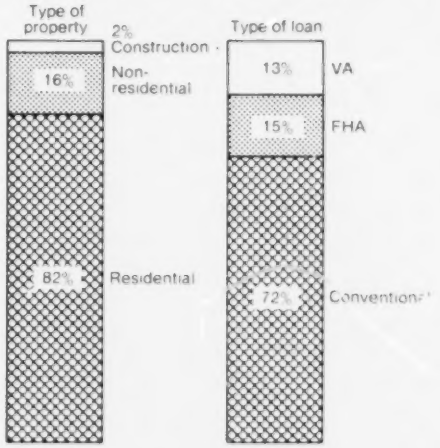


Table 33

Mortgage Loans Held by Mutual Savings Banks, by Type of Property and Loan, Selected Year-End Dates, 1945-1978

End of year	Total	Residential						Nonresidential	Memoranda: GNMA mortgage-backed securities
		Total	Type of property		Type of loan				
			1- to 4-family	Multifamily	FHA	VA	Conventional		
					(In millions of dollars)				
1945	4,208	3,387	1,894	1,493	335	14	3,038	821	—
1950	8,262	7,054	4,326	2,728	1,615	1,457	3,982	1,208	—
1955	17,457	15,568	11,838	3,730	4,150	5,773	5,645	1,889	—
1960	26,935	24,306	20,575	3,731	7,074	8,986	8,246	2,629	—
1961	29,145	26,341	22,427	3,914	8,045	9,267	9,029	2,804	—
1962	32,320	29,181	24,830	4,351	9,238	9,787	10,156	3,139	—
1963	36,224	32,718	27,742	4,976	10,684	10,490	11,544	3,506	—
1964	40,556	36,487	30,788	5,699	12,287	11,121	13,079	4,069	—
1965	44,617	40,096	33,813	6,283	13,791	11,408	14,897	4,521	—
1966	47,336	42,242	35,644	6,598	14,500	11,471	16,271	5,094	—
1967	50,490	44,641	37,690	6,951	15,074	11,795	17,772	5,849	—
1968	53,457	46,748	39,493	7,255	15,569	12,033	19,146	6,709	—
1969	56,138	48,682	41,102	7,580	15,862	12,166	20,654	7,456	—
1970	57,948	49,937	42,149	7,788	16,087	12,008	21,842	8,011	85
1971	61,978	53,021	43,435	9,586	16,142	12,074	24,805	8,957	755
1972	67,556	57,139	46,229	10,910	16,013	12,622	28,504	10,417	1,384
1973	73,230	61,154	48,811	12,343	15,506	12,946	32,702	12,076	1,861
1974	74,920	62,136	49,213	12,923	14,808	12,703	34,625	12,784	2,230
1975	77,249	63,817	50,025	13,792	14,427	12,391	36,999	13,432	3,367
1976	81,639	67,266	53,089	14,177	14,596	12,317	40,353	14,373	5,808
1977	88,104	72,941	57,637	15,304	14,187	11,933	46,821	15,163	8,331
1978p	95,157	78,781	62,252	16,529	14,203	11,824	52,754	16,376	10,021
					(Percentage distribution)				
1945	100.0	80.5	45.0	35.5	8.0	.3	72.2	19.5	
1950	100.0	85.4	52.4	33.0	19.5	17.6	48.2	14.6	
1955	100.0	89.2	67.8	21.4	23.8	33.1	32.3	10.8	
1960	100.0	90.2	76.4	13.9	26.3	33.4	30.6	9.8	
1961	100.0	90.4	76.9	13.4	27.6	31.8	31.0	9.6	
1962	100.0	90.3	76.8	13.5	28.6	30.3	31.4	9.7	
1963	100.0	90.3	76.6	13.7	29.5	29.0	31.9	9.7	
1964	100.0	90.0	75.9	14.1	30.3	27.4	32.2	10.0	
1965	100.0	89.9	75.8	14.1	30.9	25.6	33.4	10.1	
1966	100.0	89.2	75.3	13.9	30.6	24.2	34.4	10.8	
1967	100.0	88.4	74.6	13.8	29.9	23.4	35.2	11.6	
1968	100.0	87.4	73.9	13.6	29.1	22.5	35.8	12.6	
1969	100.0	86.7	73.2	13.5	28.3	21.7	36.8	13.3	
1970	100.0	86.2	72.7	13.4	27.8	20.7	37.7	13.8	
1971	100.0	85.5	70.1	15.5	26.0	19.5	40.0	14.5	
1972	100.0	84.6	68.4	16.1	23.7	18.7	42.2	15.4	
1973	100.0	83.5	66.7	16.9	21.2	17.7	44.7	16.5	
1974	100.0	82.9	65.7	17.2	19.8	17.0	46.2	17.1	
1975	100.0	82.6	64.8	17.9	18.7	16.0	47.9	17.4	
1976	100.0	82.4	65.0	17.4	17.9	15.1	49.4	17.6	
1977	100.0	82.8	65.4	17.4	16.1	13.5	53.1	17.2	
1978p	100.0	82.8	65.4	17.4	14.9	12.4	55.4	17.2	

p — preliminary

NOTE: Data are collected on a somewhat different basis than figures on mortgage holdings and flows, compiled solely by NAMSB and shown in other tables of the Fact Book. Data for nonresidential mortgages include farm loans. Totals exclude GNMAs. GNMA figures are compiled by NAMSB and refer to all types of mortgage-backed securities guaranteed by the Government National Mortgage Association.

SOURCE: FRB, HUD and NAMSB.

Table 34

Ratios of Mortgage Loans to Total Assets of Mutual Savings Banks, by States, Selected Year-End Dates, 1950-1978

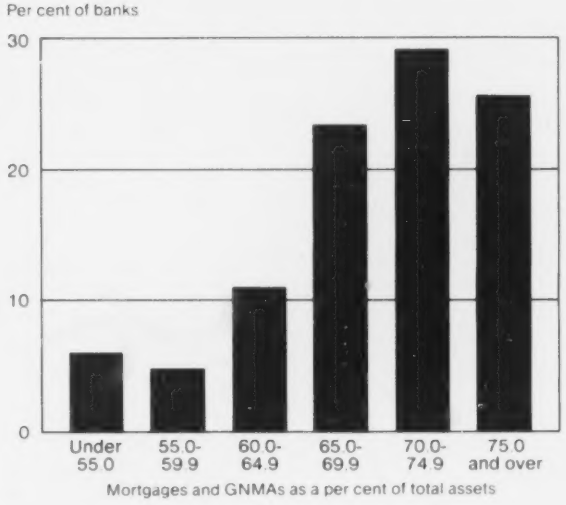
(In per cent)

State	1950	1960	1978 Excluding GNMAs	1978 Including GNMAs
New York	40.2	71.2	58.1	65.4
Massachusetts	35.0	60.0	62.3	68.4
Connecticut	28.5	63.3	69.3	71.4
Pennsylvania	13.8	47.2	49.8	54.9
New Jersey	30.4	60.8	58.1	70.4
Washington	37.5	63.7	75.6	77.9
New Hampshire	37.7	60.9	66.0	69.7
Maine	20.4	48.7	68.9	71.9
Rhode Island	33.9	59.5	68.5	72.9
Maryland	14.0	48.9	58.6	59.7
Vermont	66.7	73.8	77.0	81.5
Indiana	35.5	51.3	60.7	62.2
Wisconsin	27.1	51.9	65.6	67.4
All other states	33.5	52.4	68.8	70.4
TOTAL	35.8	65.8	60.2	66.5

NOTE: See note to Table 33.
SOURCE: NAMSB.

Chart 5

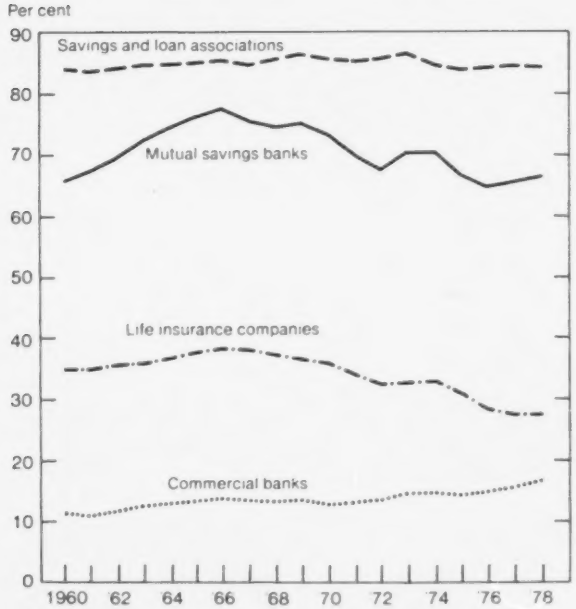
Ratio of Mortgage Loans, Including GNMAs, to Total Assets of Mutual Savings Banks, December 31, 1978



NOTE: See note to Table 33.
SOURCE: NAMSB.

Chart 6

Ratio of Mortgage Loans, Including GNMAs, to Total Assets, Main Types of Financial Institutions, 1960-1978



NOTE: Data are as of year-end. Data for life insurance companies exclude GNMAs. See note to Table 33.
SOURCE: ACLI, FHLBB, FRB and NAMSB.

Table 35

Ratios of Mortgage Loans, including GNMAs, to Total Assets of Mutual Savings Banks, by States, December 31,1978

State	Average ratio (per cent)	Number of savings banks having indicated percentage ratios: Total	Under 50.0	50.0 to 59.9	60.0 to 69.9	70.0 to 79.9	80.0 and over
Massachusetts	68.4	163	2	13	60	87	1
New York	65.4	115	2	14	48	43	8
Connecticut	71.4	65	—	5	13	42	5
Maine	71.9	30	—	4	9	17	—
New Hampshire	69.7	26	—	—	14	11	1
New Jersey	70.4	20	1	2	9	6	2
Washington	77.9	9	—	—	—	6	3
Pennsylvania	54.9	8	1	2	1	4	—
Rhode Island	72.9	6	—	—	1	5	—
Vermont	81.5	6	—	—	—	3	3
Indiana	62.2	4	1	1	1	—	1
Maryland	59.7	3	—	1	1	1	—
Wisconsin	67.4	3	—	—	2	1	—
All other states	70.4	7	—	2	1	4	—
TOTAL	66.5	465	7	44	160	230	24

NOTE: See notes to Tables 1 and 33.
SOURCE: NAMSB.

Table 36

Percentage Distribution of Mortgage Loans Held by Mutual Savings Banks, by Type of Loan, by States, Selected Year-End Dates, 1965-1978

State	1965				1970				1978			
			Conventional				Conventional				Conventional	
	FHA	VA	Residential	Non-residential	FHA	VA	Residential	Non-residential	FHA	VA	Residential	Non-residential
New York	33.0	28.9	28.5	9.7	30.7	23.2	32.6	13.5	21.0	14.5	45.7	18.8
Massachusetts	19.9	21.0	46.8	12.3	18.2	17.4	48.4	16.1	8.6	11.3	64.5	15.6
Connecticut	20.6	16.3	53.1	10.0	14.9	11.0	58.1	16.0	3.6	3.4	80.1	12.9
Pennsylvania	50.2	29.6	15.5	4.7	43.2	30.4	17.8	8.7	15.0	19.9	42.3	22.9
New Jersey	31.1	21.8	40.0	7.0	31.3	19.2	42.3	7.1	14.6	14.7	63.4	7.3
Washington	28.7	5.9	42.1	23.3	18.4	3.9	58.6	19.1	3.9	2.6	75.0	18.5
New Hampshire	22.4	20.1	38.2	19.3	20.7	17.0	45.6	16.7	4.5	9.3	68.9	17.2
Maine	32.2	22.5	32.1	13.2	25.0	21.8	38.0	15.2	5.2	16.3	64.9	13.6
Rhode Island	32.1	18.5	42.1	7.3	24.8	16.3	46.0	12.8	5.1	5.3	70.6	19.0
Maryland	33.1	24.1	36.1	6.6	31.6	21.9	41.8	4.7	9.5	14.0	69.9	6.6
Vermont	39.8	15.0	30.0	15.2	27.9	12.4	46.0	13.8	6.5	5.8	75.5	12.2
All other states	34.0	8.1	41.0	16.9	30.1	7.8	42.6	19.5	7.3	3.7	65.7	23.2
TOTAL	30.9	25.6	33.4	10.1	27.8	20.8	37.7	13.8	14.9	12.4	55.4	17.2

NOTE: Data are based on gross mortgage loans before deduction of valuation reserves. Nonresidential loans include farm loans.
SOURCE: NAMSB.

Table 37

Net Flow of Mortgage Funds From Mutual Savings Banks, by Type of Property and Loan, 1956-1978

(In millions of dollars)

Period	Total	Residential						Nonresidential	Memoranda: GNMA mortgage-backed securities
		Total	Type of property		Type of loan				
			1- to 4-family	Multi-family	FHA	VA	Conventional		
1956	2,289	2,135	2,181	-46	259	1,366	510	154	—
1957	1,423	1,307	1,387	-80	260	651	396	116	—
1958	2,094	1,925	1,870	55	832	570	522	169	—
1959	1,729	1,551	1,590	-39	775	229	547	178	—
1960	1,943	1,820	1,709	111	798	397	625	123	—
1961	2,210	2,035	1,852	183	971	281	783	175	—
1962	3,175	2,840	2,403	437	1,193	520	1,127	335	—
1963	3,904	3,537	2,912	625	1,446	703	1,388	367	—
1964	4,332	3,769	3,046	723	1,603	631	1,535	563	—
1965	4,061	3,609	3,025	584	1,504	287	1,818	452	—
1966	2,719	2,146	1,831	315	709	63	1,374	573	—
1967	3,154	2,399	2,046	353	574	324	1,501	755	—
1968	2,967	2,107	1,803	304	495	238	1,374	860	—
1969	2,681	1,934	1,609	325	293	133	1,508	747	—
1970	1,810	1,255	1,047	208	225	-158	1,188	555	85
1971	4,030	3,084	1,286	1,798	55	66	2,963	946	670
1972	5,578	4,118	2,794	1,324	-129	548	3,699	1,460	628
1973	5,674	4,015	2,582	1,433	-507	324	4,198	1,659	477
1974	1,690	982	402	580	-698	-243	1,923	708	381
1975	2,329	1,681	812	869	-381	-312	2,374	648	1,137
1976	4,390	3,449	3,064	385	169	-74	3,354	941	2,424
1977	6,465	5,675	4,548	1,127	-409	-384	6,468	790	2,515
1978p	7,053	5,840	4,615	1,225	16	-109	5,933	1,213	1,630

p — preliminary
NOTE: Data are based on figures shown in Table 33. See note to Table 33.
SOURCE: FRB, HUD and NAMSB.

Table 38

Gross Flow of Mortgage Funds Through Mutual Savings Banks, by Type of Loan, 1960-1978

(In millions of dollars)

Year	New loans acquired				Repayments				Net gain			
	Total	FHA	VA	Conventional and other	Total	FHA	VA	Conventional and other	Total	FHA	VA	Conventional and other
1960	4,437	1,183	912	2,342	2,500	379	517	1,604	1,937	804	395	738
1961	4,899	1,499	856	2,544	2,697	544	630	1,523	2,202	955	226	1,021
1962	6,245	1,878	1,263	3,104	3,091	677	773	1,641	3,154	1,201	490	1,463
1963	7,706	2,378	1,600	3,728	3,755	952	884	1,919	3,951	1,426	717	1,809
1964	8,500	2,802	1,579	4,119	4,184	1,165	949	2,070	4,316	1,636	631	2,049
1965	8,654	2,715	1,364	4,576	4,551	1,206	1,044	2,302	4,103	1,509	319	2,274
1966	7,066	1,898	963	4,205	4,366	1,227	900	2,239	2,700	671	63	1,966
1967	7,417	1,665	1,244	4,508	4,321	1,075	923	2,323	3,096	591	320	2,185
1968	7,015	1,465	1,056	4,493	4,225	988	826	2,410	2,790	477	230	2,083
1969	6,726	1,352	901	4,473	4,228	1,089	826	2,314	2,497	263	75	2,159
1970	5,944	1,179	676	4,089	4,000	916	784	2,300	1,944	263	-108	1,789
1971	9,915	1,493	1,026	7,396	5,735	1,189	918	3,630	4,180	304	108	3,766
1972	12,939	1,641	1,773	9,525	7,413	1,585	1,198	4,630	5,526	56	575	4,896
1973	13,283	1,149	1,567	10,568	7,641	1,731	1,296	4,614	5,643	-583	271	5,954
1974	8,740	757	814	7,169	6,568	1,515	1,017	4,036	2,172	-757	-203	3,133
1975	9,396	1,106	707	7,584	7,067	1,464	787	4,815	2,329	-358	-81	2,768
1976	11,912	1,327	927	9,657	7,814	1,485	1,355	4,975	4,097	-157	-428	4,682
1977	16,527	1,290	1,147	14,090	10,054	1,474	1,393	7,187	6,473	-183	-246	6,902
1978	16,928	1,424	1,171	14,333	10,601	1,441	1,309	7,851	6,327	-17	-137	6,481

NOTE: Data on net gain are gross of valuation reserves. Repayments are calulated by subtracting net gain from new loans acquired.
SOURCE: NAMSB.

Table 39

Selected Ratios of Mortgage Loan Portfolio Activity of Mutual Savings Banks, 1960-1978

(In per cent)

Year	Ratio to loans outstanding at beginning of the year							Ratio of net gain to new loans acquired			
	New loans acquired				Repayments						
	Total	FHA	VA	Conv. and other	Total	FHA	VA	Conv. and other	Total	FHA	VA	Conv. and other
1960	17.8	18.9	10.6	23.1	10.0	6.0	6.0	15.8	43.7	68.0	43.3	31.5
1961	18.2	21.2	9.5	23.5	10.0	7.7	7.0	14.1	44.9	63.7	26.4	40.1
1962	21.4	23.4	13.6	26.2	10.6	8.4	8.3	13.9	50.5	64.0	38.8	47.1
1963	23.9	25.8	16.4	28.0	11.6	10.3	9.1	14.4	51.3	60.0	44.8	48.5
1964	23.5	26.3	15.1	27.3	11.5	10.9	9.0	13.7	50.8	58.4	39.9	49.7
1965	21.3	22.1	12.3	26.7	11.2	9.8	9.4	13.4	47.4	55.6	23.4	49.7
1966	15.8	13.8	8.4	21.6	9.8	8.9	7.9	11.5	38.2	35.4	6.5	46.8
1967	15.7	11.5	10.8	21.1	9.1	7.4	8.0	10.9	41.7	35.5	25.8	48.5
1968	13.9	9.7	8.9	18.9	8.3	6.6	7.0	10.2	39.8	32.6	21.8	46.4
1969	12.6	8.7	7.5	17.3	7.9	7.0	6.8	9.0	37.1	19.5	8.4	48.3
1970	10.6	7.4	5.6	14.6	7.1	5.8	6.5	8.2	32.7	22.3	—16.0	43.8
1971	17.1	9.3	8.5	24.8	9.9	7.4	7.6	12.2	42.2	20.4	10.5	50.9
1972	20.9	10.1	14.7	28.3	12.0	9.7	9.9	13.8	42.7	3.4	32.4	51.4
1973	19.7	7.0	12.4	27.4	11.3	10.6	10.2	12.0	42.5	—50.7	17.3	56.3
1974	11.9	4.8	6.3	16.1	9.0	9.6	7.9	9.1	24.9	—100.0	—24.8	43.7
1975	12.6	7.4	5.6	16.0	9.4	9.8	6.2	10.2	24.8	—32.4	—11.5	36.5
1976	15.4	9.1	7.4	19.3	10.1	10.2	10.8	9.9	34.4	—11.8	—46.1	48.5
1977	20.2	9.0	9.4	25.6	12.3	10.3	11.4	13.0	39.2	—14.2	—21.5	49.0
1978	19.2	10.0	9.8	23.1	12.0	10.2	11.0	12.6	37.4	—1.2	—11.7	45.2

NOTE: See note to Table 38.
SOURCE: NAMSB.

Table 40

Amount, Number and Average Size of Mortgage Loans Held and Acquired by Mutual Savings Banks, by Type of Loan, Selected Years, 1950-1978

Item	Loans held at end of year				New loans acquired during year			
	1950	1960	1970	1978	1950	1960	1970	1978
Amount (In millions of dollars)								
Total	8,274	26,934	57,909	95,157	2,496	4,437	5,944	16,928
FHA	1,615	7,073	16,091	14,203	788	1,183	1,179	1,424
VA	1,457	9,050	12,018	11,824	512	912	676	1,171
Conventional and other	5,202	10,811	29,800	69,130	1,196	2,342	4,089	14,333
Number (In thousands)								
Total	1,071	2,482	3,708	3,699	279	312	212	349
FHA	162	604	1,233	886	57	86	60	28
VA	222	968	1,106	878	73	86	37	34
Conventional and other	687	910	1,370	1,935	149	140	115	287
Average size (In dollars)								
Total	7,727	10,850	15,616	25,726	8,949	14,244	27,992	48,443
FHA	9,982	11,705	13,052	16,034	13,823	13,714	19,632	50,043
VA	6,564	9,346	10,871	13,459	7,040	10,635	13,371	34,710
Conventional and other	7,571	11,882	21,751	35,733	8,016	16,790	35,404	49,898

NOTE: See note to Table 38.
SOURCE: NAMSB.

Table 41

Home Mortgage Delinquency and Foreclosure Rates of Mutual Savings Banks, by Types of Loan, Quarterly, 1974-1979

(In per cent)

Quarter	Delinquency rates				Foreclosure rates			
	Total	FHA	VA	Conventional	Total	FHA	VA	Conventional
1974— I	.59	.74	.59	.46	.05	.09	.05	.02
II	.49	.61	.46	.42	.06	.11	.05	.02
III	.53	.67	.51	.44	.05	.08	.04	.02
IV	.61	.72	.58	.55	.05	.08	.05	.02
1975— I	.66	.78	.62	.59	.05	.08	.05	.02
II	.60	.71	.51	.59	.06	.09	.06	.03
III	.66	.76	.58	.64	.05	.08	.05	.03
IV	.70	.77	.64	.70	.05	.07	.05	.03
1976— I	.68	.75	.61	.68	.04	.06	.05	.03
II	.64	.71	.57	.64	.04	.06	.04	.03
III	.71	.82	.65	.66	.04	.05	.04	.03
IV	.76	.90	.70	.71	.04	.06	.04	.03
1977— I	.73	.92	.65	.66	.05	.07	.04	.03
II	.68	.85	.59	.63	.05	.07	.05	.04
III	.70	.87	.63	.64	.05	.08	.05	.03
IV	.74	.93	.69	.66	.05	.08	.05	.03
1978— I	.74	.97	.71	.63	.04	.07	.04	.03
II	.66	.86	.62	.58	.05	.08	.05	.03
III	.70	.95	.67	.59	.04	.07	.04	.02
IV	.74	1.01	.71	.62	.04	.06	.04	.03
1979— I	.70	.98	.69	.54	.04	.07	.05	.03
II	.67	.93	.66	.53	.04	.07	.04	.02

NOTE: Data refer to the percentage ratio of the number of one- to four-family mortgage loans delinquent or foreclosed to the total number of one- to four-family loans held by mutual savings banks in the indicated categories. Delinquent loans are defined as loans held at the end of the indicated quarters which are: (1) three of more payments overdue on a monthly program; or (2) in the process of foreclosure. Foreclosure data refer to loans which have been foreclosed (foreclosure completed) within the quarter. Information shown in this table is based on reports representing over four-fifths of the total number of home mortgage loans held by savings banks.
SOURCE: NAMSB.

Table 42

Net Flow of Investment Funds from Mututal Savings Banks, Monthly, 1972-1979

(In millions of dollars)

Year	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
						Total assets							
1972	1,060	1,283	1,344	754	1,012	1,036	891	732	734	490	714	889	10,938
1973	1,040	944	942	476	905	778	54	28	-19	-213	434	659	6,028
1974	432	794	999	-15	281	333	6	-277	37	-107	496	741	3,720
1975	580	1,245	1,670	776	1,431	1,499	958	544	389	446	983	984	11,506
1976	1,269	1,495	1,705	944	1,000	966	1,024	745	842	1,041	930	1,366	13,329
1977	1,094	1,400	1,594	595	1,097	1,185	1,259	778	851	875	695	941	12,365
1978	758	1,017	1,434	356	819	973	1,140	894	874	733	592	403	9,993
1979p	718	1,186	1,788	-297	150	434	783						
						Mortgage loans							
1972	274	260	430	352	454	666	381	554	494	472	518	672	5,526
1973	458	331	568	506	562	649	557	494	321	334	392	471	5,643
1974	209	207	310	285	303	248	260	183	65	45	79	-22	2,172
1975	66	101	69	132	181	323	334	213	119	226	200	365	2,330
1976	87	106	324	309	240	517	323	384	364	398	355	692	4,097
1977	190	157	291	414	388	976	649	719	660	603	565	862	6,473
1978	411	341	554	486	569	641	674	636	516	500	594	405	6,327
1979p	395	268	316	150	339	504	495						
						GNMA-guaranteed mortgage-backed securities							
1972	52	44	75	59	87	47	30	25	11	30	52	112	628
1973	47	46	127	-4	56	128	36	18	-14	-11	-6	54	477
1974	34	13	41	51	6	60	-12	13	11	43	12	109	381
1975	71	129	131	118	144	96	108	70	17	93	54	104	1,137
1976	94	131	355	238	209	213	189	165	183	165	103	380	2,424
1977	349	260	336	116	91	10	229	263	263	110	93	396	2,515
1978	334	149	69	58	112	203	138	101	199	19	59	187	1,630
1979p	208	262	177	342	158	62	45						
						U.S. Government and Federal agency securities							
1972	-36	92	163	125	47	-83	14	-49	131	91	21	220	736
1973	4	6	-48	-25	-25	-136	-174	-238	-200	-88	-128	24	-1,030
1974	-58	-72	10	-22	-140	-51	-73	-121	-25	-15	7	63	-496
1975	50	137	409	576	221	275	287	200	63	85	237	241	2,780
1976	280	392	378	171	157	-37	-61	148	138	-131	106	11	1,552
1977	175	248	340	67	-110	-182	-62	-183	-34	-16	-42	-77	124
1978	-104	-49	21	-30	-223	-167	13	-113	28	-90	-103	-161	-979
1979p	-119	-64	73	7	-45	-119	-36						
						State and municipal securities							
1972	43	26	55	33	50	30	47	111	35	22	26	3	482
1973	61	51	42	52	-4	49	-32	-95	-42	-18	-14	1	53
1974	10	6	-8	17	-32	-14	5	-6	-3	-5	6	54	29
1975	37	50	78	26	16	103	197	15	44	27	28	-6	614
1976	36	184	102	283	169	20	38	23	-41	70	37	-49	873
1977	-122	71	65	73	35	5	50	167	15	29	1	19	409
1978	38	-78	43	64	79	14	18	72	82	10	117	26	484
1979p	-5	-161	-41	-20	-62	-88	-21						

(continued)

Table 42 (continued)

Net Flow of Investment Funds from Mutual Savings Banks, Monthly, 1972-1979

(In millions of dollars)

Year	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Corporate bonds							
1972	311	473	385	322	247	202	181	158	6	-191	24	16	2,134
1973	158	30	34	-20	-93	-103	52	-262	-319	-352	-95	67	-903
1974	189	219	271	33	27	62	21	-29	-83	-94	7	151	773
1975	292	254	675	381	384	624	325	65	-43	-11	234	367	3,546
1976	289	347	494	331	216	116	336	73	-29	248	98	279	2,799
1977	212	255	415	143	32	-128	127	-1	-58	-59	27	199	1,165
1978	-4	70	152	120	-9	34	24	-64	-187	12	-36	-67	45
1979p	56	43	102	-216	-82	-75	-180						
						Corporate stock							
1972	53	75	55	71	67	53	74	39	54	68	26	-31	604
1973	55	47	46	68	67	27	43	-80	-37	-6	46	99	376
1974	43	62	61	49	10	17	17	-1	-7	-10	12	28	280
1975	33	8	20	24	32	26	7	15	-16	-4	22	-2	165
1976	-4	-16	21	5	18	-2	30	-2	-61	24	19	28	60
1977	29	29	13	32	44	50	27	43	52	11	38	4	371
1978	9	26	57	26	19	-54	2	-31	-35	3	40	-21	42
1979p	8	22	12	20	18	-10	25						
						Cash and other assets							
1972	364	313	181	-208	59	121	163	-107	2	-3	47	-103	829
1973	257	433	173	-102	342	162	-428	191	272	-72	239	-57	1,412
1974	6	360	314	-427	107	11	-213	-316	78	-70	373	359	581
1975	32	567	287	-482	453	53	-298	-34	204	31	207	-86	934
1976	487	351	31	-392	-9	139	170	-46	288	268	212	25	1,524
1977	262	381	134	-249	615	453	239	-231	-45	197	13	-462	1,308
1978	74	558	540	-369	271	303	270	293	271	278	-79	33	2,444
1979p	175	816	1,149	-580	-175	160	456						

p — preliminary.
NOTE: Data represent net changes in asset classifications shown. Data for April are estimates which reflect changes in FDIC reporting procedures. See note to Table 1.
SOURCE: NAMSB

Table 43

Gross Flow of Funds Through Mutual Savings Banks, 1972-1978

(In millions of dollars)

Item	1972	1973	1974	1975	1976	1977	1978
Inflow:							
Amounts deposited	40,333	47,522	46,187	53,125	62,429	73,306	91,967
Interest on deposits	4,517	5,139	5,620	6,165	6,970	7,757	8,512
Mortgage repayments	7,413	7,641	6,568	7,067	7,814	10,054	10,601
Retained earnings	570	561	377	441	577	779	894
U.S. Governments	-234	557	382	-2,185	-1,050	-55	977
All other sources	—	—	—	—	—	- -	—
TOTAL INFLOW	52,599	61,420	59,134	64,613	76,741	91,840	112,951
Outflow:							
Withdrawals	34,883	47,964	49,010	48,369	57,147	70,431	92,558
Mortgage loans acquired	12,939	13,283	8,740	9,396	11,912	16,527	16,928
Net security investment							
State and municipal	482	53	29	614	873	409	484
Corporate and other	3,867	-523	1,320	5,443	5,785	4,120	1,715
All other uses	428	643	35	791	1,025	353	1,266
TOTAL OUTFLOW	52,599	61,420	59,134	64,613	76,741	91,840	112,951

NOTE: Amounts deposited and withdrawn exclude school, club and other special-purpose accounts.
SOURCE: NAMSB

Table 44

Net Flow of Investment Funds from Mutual Savings Banks, 1960-1978

(In millions of dollars)

Year	Total	Mortgage investments			Securities				Cash and other
		Total	Mortgage loans	GNMA mortgage-backed	U.S. Gov't and federal agency	State and municipal	Corporate and other bonds	Corporate stock	
1960	1,626	1,933	1,933	—	-558	-49	149	13	139
1961	2,257	2,199	2,199	—	-40	5	-146	66	172
1962	3,292	3,155	3,155	—	57	-150	-121	149	203
1963	3,582	3,951	3,951	—	-147	-87	-327	127	65
1964	4,535	4,322	4,322	—	-38	-49	-100	90	310
1965	3,994	4,105	4,105	—	-210	-72	-191	167	195
1966	2,751	2,759	2,759	—	-509	-68	296	41	231
1967	5,383	3,118	3,118	—	-345	-33	2,144	219	279
1968	4,573	2,798	2,798	—	-223	-27	1,462	251	311
1969	3,010	2,499	2,499	—	-574	-1	446	238	402
1970	4,829	2,041	1,956	85	368	4	1,155	309	952
1971	10,237	4,845	4,175	670	534	188	3,257	508	905
1972	10,938	6,154	5,526	628	736	482	2,134	604	829
1973	6,028	6,120	5,643	477	-1,030	53	-903	376	1,412
1974	3,720	2,553	2,172	381	-496	29	773	280	581
1975	11,506	3,467	2,330	1,137	2,780	614	3,546	165	934
1976	13,329	6,522	4,097	2,424	1,552	873	2,799	60	1,524
1977	12,365	8,987	6,473	2,515	124	409	1,165	371	1,308
1978	9,993	7,956	6,327	1,630	-979	484	45	42	2,444

NOTE: Data represent net changes in asset classifications shown. See note to Table 1.
SOURCE: FDIC and NAMSB.

Table 45

Ratios of Liquid Assets and Borrowings to Deposits of Mutual Savings Banks, Monthly, 1977-1979

(Per cent of total deposits)

Month	Cash and investments maturing within:						Borrowings and mortgage warehousing		
	1 year			5 years					
	1977	1978	1979p	1977	1978	1979p	1977	1978	1979p
January	6.40	5.66	6.58	11.60	10.99	11.35	.27	.59	1.20
February	6.59	6.01	7.18	12.03	11.28	11.72	.26	.60	1.24
March	6.70	6.27	7.89	12.18	11.58	12.50	.31	.63	1.31
April	6.44	5.97	7.29	11.82	11.25	11.97	.39	.77	1.59
May	6.67	5.99	6.97	11.85	11.26	11.58	.28	.82	1.47
June	6.84	6.03	6.90	12.16	11.21	11.55	.29	.81	1.45
July	6.82	6.28	7.17	12.15	11.48	11.82	.32	.95	1.95
August	6.46	6.26		11.83	11.40		.31	1.00	
September	6.11	6.29		11.44	11.37		.37	.99	
October	6.25	6.45		11.38	11.48		.47	1.08	
November	6.24	6.41		11.45	11.35		.45	1.15	
December	5.61	6.46		10.80	11.19		.46	1.12	

p — preliminary.
NOTE: Data are outstandings at month-end. Figures on borrowings and mortgage warehousing exclude additional credit arrangements involving mortgage purchase techniques not reported under NAMSB statistical procedures. Investments maturing within 5 years include investments maturing within 1 year. See note to Table 2.
SOURCE: NAMSB.

IV — Income and Expenses of Mutual Savings Banks

As mutual institutions, savings banks pass on all earnings after expenses and taxes to depositors as interest, except for necessary additions to protective reserves. In 1978, depositors received 72% of the total income earned by mutual savings banks, while expenses, taxes and net realized losses on asset transactions absorbed 20%. Only 8% was retained and added to reserves. The main source of savings bank income is from interest paid on mortgage loans — 61% of the total in 1978. Interest and dividends on securities provided an additional 30%.

Over the long term, the dollar amount of operating income has advanced steadily, owing to continued asset growth coupled with increased asset yield. Operating expenses, taxes and interest to depositors have also increased. Retained earnings, on the other hand, have traced an irregular trend, both in dollar amounts and in relation to income and assets. In 1978, "bottom-line" net income of mutual savings banks amounted to 9% of operating income after expenses and taxes and .58% of average assets.

Recent Earning Pressures

In 1978 and 1979, savings bank net income positions came under intensified pressure as interest costs increased sharply following introduction of the newly authorized 6-month "money market" certificates. Moreover, interest expenses of mutual savings banks rose at an accelerated rate in the first half of 1979, under the impact of high MMC ceiling rates which averaged well over 9%.

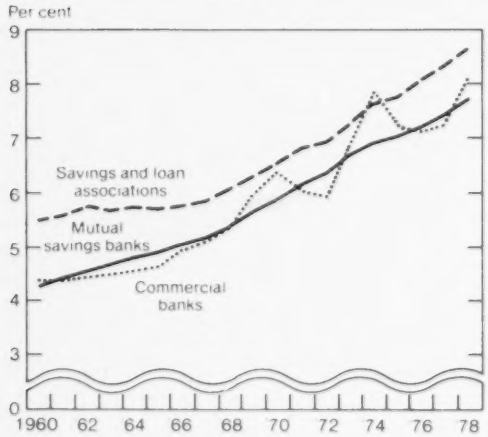
In addition to sharply rising interest costs, occasionally rapid increases in operating expenses and taxes during the 1970s have also contributed to savings bank difficulties in strengthening net income positions. This has partly reflected: (1) the continuing impact of inflation on compensation and other operating costs; (2) changes in the Tax Reform Act of 1969 which increased the industry's federal tax liabilities; and (3) sharp increases in state taxes.

Interest Rates on Savings

Effective July 1, 1979, savings banks were subjected to another round of deposit cost increases as a result of regulatory changes which: (1) raised the ceiling rate on regular savings accounts by ¼ of 1%; and (2) authorized a new savings certificate covering a maturity of four years or more and a ceiling rate linked to the yield on 4-year Treasury obligations. The change in the savings deposit rate alone is expected to result in a $170 million increase in annual interest costs for the industry. This would translate into an estimated rise of some 12 basis points in the annual rate of interest paid on total deposits.

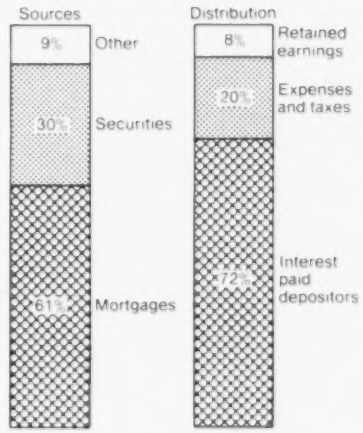
Thrift institutions are permitted to pay higher ceiling rates than commercial banks on most consumer-type time and savings deposits. However, these differences have been narrowed as a result of federal regulatory actions, and, more recently, eliminated entirely for some types of accounts. For example, ceiling rates on 3-year IRA and Keogh retirement deposits and on the new 6-month money market CDs when the Treasury bill rate is 9% or more were identical for commercial banks and thrift institutions at the end of August.

Rates of Return on Total Assets Held by Selected Types of Financial Institutions 1960-1978



Sources and Distribution of Savings Bank Income in 1978

(In per cent)



NOTE Securities include mortgage-backed certificates

Table 46

Income and Expenses of Mutual Savings Banks, 1960-1978

(In millions of dollars)

Year	Total operating income	Total operating expenses and taxes	Net operating income after expenses and taxes	Interest	Net operating income after expenses, taxes and interest	Net realized losses on asset transactions	Retained earnings	Retained earnings as per cent of total assets
1960	1,687.2	277.3	1,409.9	1,233.7	176.2	27.5	148.7	.37
1961	1,835.1	297.8	1,537.3	1,326.3	211.0	.4	210.6	.51
1962	2,022.3	313.7	1,708.6	1,530.5	178.1	6.0†	184.1	.41
1963	2,240.7	344.1	1,896.6	1,700.0	196.6	13.5†	210.1	.44
1964	2,484.9	366.3	2,118.6	1,895.1	223.5	5.4†	228.9	.44
1965	2,745.1	394.7	2,350.4	2,076.0	274.4	18.1	256.3	.46
1966	2,990.9	429.3	2,561.6	2,383.0	178.6	16.0†	194.6	.33
1967	3,301.5	454.1	2,847.4	2,712.8	134.6	6.2	128.4	.20
1968	3,701.5	505.9	3,195.6	2,967.0	228.5	26.2†	254.7	.37
1969	4,110.5	580.8	3,529.6	3,218.9	310.7	56.1	254.6	.35
1970	4,487.3	685.1	3,802.3	3,451.8	350.5	142.8	207.7	.27
1971	5,221.9	810.8	4,411.0	3,936.3	474.7	66.7	408.0	.48
1972	6,081.1	979.5	5,101.6	4,516.7	584.9	15.3	569.6	.60
1973	6,977.5	1,165.5	5,812.0	5,138.9	673.1	112.3	560.8	.54
1974	7,471.4	1,275.2	6,196.3	5,620.4	575.8	198.5	377.4	.35
1975	8,116.7	1,421.6	6,695.1	6,165.2	529.9	88.6	441.3	.38
1976	9,275.6	1,714.8	7,560.8	6,970.4	590.4	13.7	576.6	.45
1977	10,493.5	1,946.4	8,547.2	7,756.7	790.5	11.7	778.8	.55
1978	11,842.2	2,355.1	9,487.1	8,524.4	962.8	69.0	893.8	.58

†Net realized gain.
NOTE: Data for 1971-1978 were compiled on a somewhat different basis than in earlier years. The differences are small in most cases, except for net realized losses on asset transactions.
SOURCE: NAMSB.

Table 47

Retained Earnings as Per Cent of Total Assets Held by Selected Types of Financial Institutions 1960-1978

Year	Mutual savings banks	Commercial banks	Savings and loan associations
1960	.37	.81	.86
1961	.51	.79	.97
1962	.41	.73	.97
1963	.44	.72	.69
1964	.44	.70	.72
1965	.46	.70	.67
1966	.33	.69	.50
1967	.20	.74	.46
1968	.37	.72	.60
1969	.35	.84	.68
1970	.27	.89	.57
1971	.48	.87	.71
1972	.60	.83	.77
1973	.54	.85	.76
1974	.35	.81	.54
1975	.38	.78	.47
1976	.45	.70	.64
1977	.55	.71	.79
1978p	.58	.76	.82

p — preliminary.
NOTE: Data represent retained earnings after all expenses, taxes and dividends paid depositors as percent of average assets. Data for commercial banks are for FDIC-insured institutions and since 1976 are based on consolidated (including foreign) reports of income. Data for savings and loan associations are for all associations since 1976 and FSLIC-insured institutions for prior years.
SOURCE: FDIC, FHLBB, NAMSB and USLSA.

Table 48

Rates of Return on Assets Held by Mutual Savings Banks, 1960-1978

(In per cent)

Year	Total assets	Mortgages	Securities
1960	4.25	4.75	3.49
1961	4.41	4.89	3.62
1962	4.56	5.02	3.76
1963	4.68	5.13	3.83
1964	4.79	5.18	3.96
1965	4.89	5.22	4.07
1966	5.03	5.30	4.29
1967	5.18	5.41	4.53
1968	5.38	5.56	4.94
1969	5.65	5.77	5.37
1970	5.88	5.97	5.64
1971	6.18	6.26	6.15
1972	6.39	6.53	6.35
1973	6.70	6.77	6.48
1974	6.92	6.98	6.67
1975	7.02	7.16	7.05
1976	7.23	7.38	7.41
1977	7.43	7.61	7.54
1978	7.73	7.92	7.64

NOTE: Data represent operating income as a percentage of average holdings of total assets, mortgages and securities. Mortgage income is net, after deduction of servicing fees. Total reflects assets other than mortgages and securities. See note to Table 46.
SOURCE: NAMSB.

Table 49

Rates of Return on Assets Held by Mutual Savings Banks, by States, Selected Years, 1960-1978

(In per cent)

Year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.
Total Assets											
1960	4.25	4.28	4.18	4.38	4.07	4.17	4.32	4.35	4.16	4.53	3.99
1965	4.89	4.93	4.76	5.02	4.63	4.76	5.22	5.08	4.85	5.12	4.98
1970	5.88	5.79	6.09	6.26	5.50	5.82	6.42	6.21	6.10	6.97	5.74
1975	7.02	6.89	7.13	7.30	6.99	7.07	7.58	7.41	7.42	7.21	6.95
1976	7.23	7.09	7.27	7.51	7.32	7.26	7.91	7.69	7.68	7.52	7.20
1977	7.43	7.26	7.48	7.71	7.54	7.42	8.43	7.91	7.95	7.70	7.48
1978	7.73	7.56	7.82	8.06	7.71	7.70	8.89	8.20	8.27	8.07	7.83
Mortgages											
1960	4.75	4.71	4.77	4.88	4.86	4.88	5.14	4.82	4.91	4.85	4.63
1965	5.22	5.19	5.04	5.30	5.23	5.26	5.79	5.36	5.34	5.32	5.45
1970	5.97	5.89	6.08	6.38	5.75	6.01	6.80	6.26	6.31	6.08	5.85
1975	7.16	7.00	7.32	7.59	7.11	7.32	7.83	7.71	7.77	7.51	7.17
1976	7.38	7.16	7.55	7.84	7.38	7.51	8.35	8.00	8.09	7.86	7.40
1977	7.61	7.35	7.74	8.09	7.73	7.70	8.76	8.27	8.37	8.02	7.80
1978	7.92	7.66	8.29	8.33	7.98	7.98	9.22	8.59	8.55	8.24	7.99
Securities											
1960	3.49	3.45	3.56	3.64	3.50	3.28	3.03	3.76	3.60	4.25	2.88
1965	4.07	3.97	4.37	4.32	3.74	3.78	3.68	4.47	4.24	4.86	3.97
1970	5.64	5.50	6.33	5.71	5.17	5.64	5.45	5.63	5.70	5.11	5.05
1975	7.05	7.09	n.a.	6.71	7.23	7.09	7.09	6.85	6.85	6.70	6.00
1976	7.41	7.46	n.a.	7.06	7.57	7.38	6.95	7.25	7.13	7.09	6.29
1977	7.54	7.59	n.a.	7.19	7.72	7.50	7.40	7.40	7.33	7.13	6.51
1978	7.64	7.68	n.a.	7.22	7.77	7.68	7.49	7.51	7.44	7.27	6.89

n.a. — not available.
NOTE: Total includes data for states not shown separately. Data on mortgages include other loans for Massachusetts in all years, and New Hampshire in 1955. See note to Table 48.
SOURCE: NAMSB.

Table 50

Income and Expenses of Mutual Savings Banks, by States, 1978

(In millions of dollars)

Item	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.	All other states
Total operating income	11,842	6,257	1,706	1,051	911	624	351	195	193	132	122	300
Interest and dividends on securities	3,532	2,136	396	178	400	206	37	39	36	24	21	60
U.S. Government and agency obligations	1,268†	774	n.a.	56	81	123	20	18	17	16	12	24
Other securities	2,264†	1,362	n.a.	123	319	83	18	20	19	8	9	35
Net interest and discount on loans	7,946	3,990	1,168	847	499	404	301	154	154	103	93	233
Mortgage loans	7,280†	3,692	n.a.	748	469	373	271	134	135	91	74	219
Other loans	666†	299	n.a.	99	31	31	30	20	19	11	19	14
Other operating income	364	130	142	26	11	15	12	3	4	5	8	8
Operating expenses and taxes	2,355	1,145	391	252	130	125	90	42	43	33	33	71
Net operating income after expenses and taxes	9,487	5,112	1,314	800	780	500	261	153	150	99	89	230
Interest paid depositors	8,524	4,660	1,171	722	692	439	220	131	128	86	75	201
Net operating income after expenses, taxes and interest	963	452	143	78	88	61	40	22	22	13	14	29
Net realized gains or losses on assets	−69	−40	−21	6	−7	−3	−1	*	−1	*	*	−1
Securities	−60†	−36	n.a.	6	−12	*	1	1	−1	*	*	−1
Real estate mortgage loans	−30†	−16	n.a.	−1	*	−1	−3	*	*	—	*	−1
Real estate	−2†	*	n.a.	*	*	−2	*	*	*	*	*	*
Other	23†	11	n.a.	1	4	*	*	−1	*	—	*	*
Retained earnings	894	411	123	84	81	59	39	22	21	13	14	28

n.a. — not available.
*Less than $500,000.
†Partly estimated; separate data for Massachusetts are not available.
NOTE: See note to Table 46.
SOURCE: NAMSB.

Table 51

Income and Expense Ratios for Mutual Savings Banks, by States, 1978

(In per cent)

Item	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.	All other States
Ratios to total assets:												
Total operating income	7.73	7.56	7.82	8.06	7.71	7.70	8.89	8.20	8.27	8.07	7.83	8.12
Total operating expenses and taxes	1.54	1.38	1.79	1.93	1.10	1.54	2.28	1.78	1.85	2.01	2.11	1.91
Interest paid depositors	5.57	5.63	5.37	5.53	5.85	5.41	5.59	5.50	5.49	5.25	4.83	5.43
Net operating income after expenses, taxes and interest	.63	.55	.66	.60	.75	.75	1.02	.93	.93	.81	.89	.78
Net realized gains or losses	−.05	−.05	−.10	.05	−.06	−.03	−.03	*	−.05	−.02	.01	−.02
Retained earnings	.58	.50	.56	.64	.69	.72	.99	.92	.88	.79	.90	.75
Ratios to total deposits:												
Interest paid depositors	6.14	6.20	5.92	6.15	6.36	5.93	6.23	6.20	6.07	5.87	5.57	6.13
Retained earnings	.64	.55	.62	.71	.74	.79	1.11	1.04	.97	.88	1.04	.85
Ratios to securities held:												
Interest on U.S. Government and agency securities	7.68†	7.70	n.a.	7.55	7.86	7.79	7.39	7.25	7.54	7.37	6.97	7.27
Interest and dividends on other securities	7.62†	7.67	n.a.	7.08	7.74	7.52	7.61	7.77	7.35	7.07	6.78	7.32
Interest and dividends on total securities	7.64†	7.68	n.a.	7.22	7.77	7.68	7.49	7.51	7.44	7.27	6.89	7.31
Net realized gains or losses on total securities	−.10†	−.13	n.a.	.24	−.23	*	.24	.15	−.25	−.09	.05	−.11
Ratios to mortgage loans:												
Net interest and discount on mortgage loans	7.92†	7.66	n.a.	8.33	7.98	7.98	9.22	8.59	8.55	8.24	7.99	8.61
Net realized gain or loss	−.03†	−.03	n.a.	−.01	*	−.02	−.10	−.01	*	—	*	−.03

n.a. — not available.
*Less than .005%.
†Ratio computed on basis of data from states other than Massachusetts.

NOTE: Ratios are computed from data in Table 50 and average asset liability figures. See note to Table 46.
SOURCE: NAMSB.

Table 52

Income and Expense Ratios for Mutual Savings Banks, by Deposit Size, 1978

(In per cent)

Item	Total	Deposit size (in millions of dollars)							
		Less than 25.0	25.0 to 49.9	50.0 to 99.9	100.0 to 249.9	250.0 to 499.9	500.0 to 999.9	1,000.0 to 1,999.9	2,000.0 or more
Ratios to total assets:									
Total operating income	7.73	8.05	8.04	8.00	7.97	7.76	7.70	7.74	7.53
Total operating expenses and taxes	1.54	1.90	1.81	1.75	1.74	1.60	1.61	1.60	1.23
Interest paid depositors	5.57	5.32	5.38	5.46	5.47	5.47	5.46	5.62	5.75
Net operating income after expenses, taxes and interest	.63	.83	.84	.79	.76	.69	.63	.51	.56
Net realized gains or losses	−.05	−.08	−.08	−.03	−.05	−.10	−.05	.02	−.06
Retained earnings	.58	.75	.76	.76	.72	.59	.58	.53	.50
Ratios to total deposits:									
Interest paid depositors	6.14	5.87	5.95	6.03	6.05	6.03	6.03	6.23	6.31
Retained earnings	.64	.83	.84	.83	.79	.65	.64	.59	.54
Ratios to securities held:									
Interest on U.S. Government and agency securities†	7.68	7.44	7.40	7.36	7.46	7.42	7.66	7.86	7.77
Interest and dividends on other securities†	7.62	8.17	7.89	7.66	7.59	7.49	7.43	7.50	7.75
Interest and dividends on total securities†	7.64	7.78	7.68	7.53	7.54	7.45	7.52	7.66	7.75
Net realized gains or losses on total securities†	−.10	−.07	−.22	−.09	−.07	−.27	−.04	.03	−.17
Ratios to mortgage loans:									
Net interest and discount on mortgage loans†	7.92	8.46	8.49	8.44	8.36	8.13	7.91	7.86	7.57
Net realized gain or loss†	−.03	−.01	−.01	−.01	−.02	−.02	−.02	−.03	−.02

†Ratios are computed on basis of data from states other than Massachusetts.

SOURCE: NAMSB.

Table 53

Retained Earnings as Per Cent of Total Assets in Mutual Savings Banks, by States, 1960-1978

Year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.
1960	.37	.34	.39	.65	.37	.41	.44	.42	.44	.43	.19
1961	.51	.52	.50	.55	.26	.55	.59	.66	.57	.54	.19
1962	.41	.42	.56	.43	.14	.41	.56	.56	.40	.33	.01
1963	.44	.46	.44	.51	.14	.33	.56	.51	.43	.81	.18
1964	.44	.46	.42	.54	.19	.38	.54	.59	.57	.25	.25
1965	.46	.48	.43	.66	.12	.45	.47	.44	.61	.27	.17
1966	.33	.15	.28	.40	*	.30	.29	.42	.50	*	.23
1967	.20	.10	.29	.42	.21	.30	.51	.48	.44	.59	.59
1968	.37	.33	.34	.66	.29	.34	.60	.57	.66	.60	.33
1969	.35	.28	.41	.60	.19	.52	.59	.60	.40	.51	.39
1970	.27	.19	.44	.50	.18	.22	.52	.44	.56	.34	.14
1971	.48	.44	.55	.59	.46	.44	.71	.67	.72	.54	.43
1972	.60	.55	.70	.69	.49	.60	.84	.81	.74	.96	.47
1973	.54	.49	.59	.67	.53	.67	.63	.86	.71	.60	.40
1974	.35	.27	.39	.56	.35	.52	.38	.67	.68	.62	.45
1975	.38	.28	.52	.59	.34	.50	.50	.59	.68	.50	.61
1976	.45	.38	.48	.47	.50	.65	.72	.69	.81	.61	.77
1977	.55	.44	.58	.77	.60	.71	.97	.87	.82	.75	.87
1978	.58	.50	.56	.64	.69	.72	.99	.92	.88	.79	.75

*Data comparable with other periods are not available for this year due to transfers from valuation reserves to income. The industry total for the year reflects these adjustments.

NOTE: Data are retained earnings as per cent of average total assets.

See note to Table 46.

SOURCE: NAMSB.

Table 54

Average Annual Rate of Interest Paid on Deposits in Mutual Savings Banks, by States, Selected Years, 1960-1978

(In per cent)

Year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	N.H.	Me.	R.I.	Md.
1960	3.47	3.53	3.43	3.43	3.37	3.14	3.39	3.64	3.32	3.40	3.06
1965	4.11	4.18	4.06	3.90	3.97	3.86	4.22	4.18	3.88	4.16	3.83
1966	4.45	4.62	4.28	4.16	4.14	4.15	4.60	4.45	4.13	4.23	3.98
1967	4.74	4.95	4.46	4.43	4.27	4.46	4.94	4.64	4.31	4.33	4.31
1968	4.76	4.91	4.62	4.56	4.30	4.43	4.98	4.78	4.48	4.34	4.32
1969	4.89	4.92	4.99	4.94	4.65	4.50	4.96	4.91	4.97	4.55	4.45
1970	5.01	4.96	5.21	5.03	5.00	4.98	5.03	5.28	4.99	4.73	4.65
1971	5.14	5.10	5.34	5.10	5.11	5.13	5.13	5.18	5.06	4.83	4.83
1972	5.23	5.21	5.37	5.22	5.20	5.20	5.19	5.23	5.12	4.81	4.86
1973	5.45	5.43	5.57	5.43	5.50	5.37	5.47	5.48	5.34	4.98	5.15
1974	5.76	5.79	5.66	5.76	5.89	5.64	5.99	5.84	5.63	5.37	5.33
1975	5.89	5.93	5.73	5.89	6.05	5.76	6.07	5.95	5.78	5.65	5.35
1976	5.98	6.03	5.82	5.96	6.15	5.83	6.05	6.04	5.85	5.76	5.40
1977	6.03	6.08	5.89	6.02	6.23	5.84	6.06	6.09	5.95	5.77	5.42
1978	6.14	6.20	5.92	6.15	6.36	5.93	6.23	6.20	6.07	5.87	5.57

NOTE: Total includes data for states not shown separately. Data represent ratios of interest paid to average total deposits.

SOURCE: NAMSB.

Table 55

Federal Deposit Interest Rate Ceilings on Consumer Type Savings and Time Deposits, by Selected Types of Financial Institutions, Selected Periods, 1966-1979

(In per cent)

Type of account	September 26, 1966			January 1, 1970			July 5, 1973			June 1, 1978			July 1, 1979		
	Mutual savings banks	Commercial banks	Savings and loan assns.	Mutual savings banks	Commercial banks	Savings and loan assns.	Mutual savings banks	Commercial banks	Savings and loan assns.	Mutual savings banks	Commercial banks	Savings and loan assns.	Mutual savings banks	Commercial banks	Savings and loan assns.
Ordinary savings deposits	5.00[4]	4.00	4.75	5.00[5]	4.50	5.00	5.25	5.00	5.25	5.25	5.00	5.25	5.50	5.25	5.50
Time deposits, by maturity[1]															
All maturities	5.00														
3 months or more		5.00													
6 months[2]										[8]	[8]	[8]	[8]	[8]	[8]
6 months or more			5.25												
90 days-1 year (including special notice accounts)				5.25[6]	5.00	5.25	5.75	5.50	5.75	5.75	5.50	5.75	5.75	5.50	5.75
1-2 year maturities				5.75	5.50	5.75									
2-2½ year maturities				6.00	5.75	6.00									
1 year-2½ years							6.50	6.00	6.50	6.50	6.00	6.50	6.50	6.00	6.50
2½ years or more				6.00	5.75	6.00	6.75	6.50	6.75	6.75	6.50	6.75	6.75	6.50	6.75
4 years or more													[9]	[9]	[9]
4-6 years[3]							7.50	7.25	7.50	7.50	7.25	7.50	7.50	7.25	7.50
6-8 years[3]										7.75[7]	7.50[7]	7.75[7]	7.75	7.50	7.75
8 years or more[3]										8.00	7.75	8.00	8.00	7.75	8.00

1. Minimum denominations of less than $100,000.
2. Minimum denominations of $10,000.
3. Minimum denominations of $1,000 effective from July 5, 1973 to June 30, 1979. Ceiling effective November 1, 1973 on 4-year or more deposits. No ceiling from July 5, 1973 to October 31, 1973.
4. Effective October 1, 1966.
5. 5¼% in Massachusetts effective October 29, 1970.
6. 5½% in Massachusetts effective October 29, 1970.
7. Effective December 23, 1974.
8. Ceiling rates for mutual savings banks and savings and loan associations were equal to the weekly auction discount rate on 6-month Treasury bills plus 25 basis points from June 1, 1978 to March 14, 1979. Ceiling rates for commercial banks were at the 6-month Treasury bill rate. Effective March 15, 1979: (1) the 25 basis point differential in ceiling rates between thrift institutions and commercial banks was eliminated when the 6-month Treasury bill auction rate is 9% or more, and (2) compounding of interest was prohibited for all types of institutions.
9. Ceiling rates are 1% below the yield on 4-year Treasury obligations for mutual savings banks and savings and loan associations, and 1¼% below for commercial banks.

NOTE: Data refer to savings and time deposits at FDIC-insured savings banks and commercial banks, and member savings and loan associations of the Federal Home Loan Bank System. Deposits at thrift institutions and commercial banks during the periods covered in this table were subject to limitations and exceptions at various times with regard to minimum balances, ceiling rates and geographic areas. With respect to recent developments concerning Individual Retirement and Keogh accounts: (1) effective July 6, 1977, ceiling rate differentials were eliminated between commercial banks and thrift institutions on these accounts with a maturity of three years or more, resulting in a uniform rate of 7¾%; and (2) effective June 1, 1978, a maximum rate of 8% was authorized on all IRA and Keogh accounts.

SOURCE: FDIC, FHLBB and FRB.

Income and Expenses

Table 56

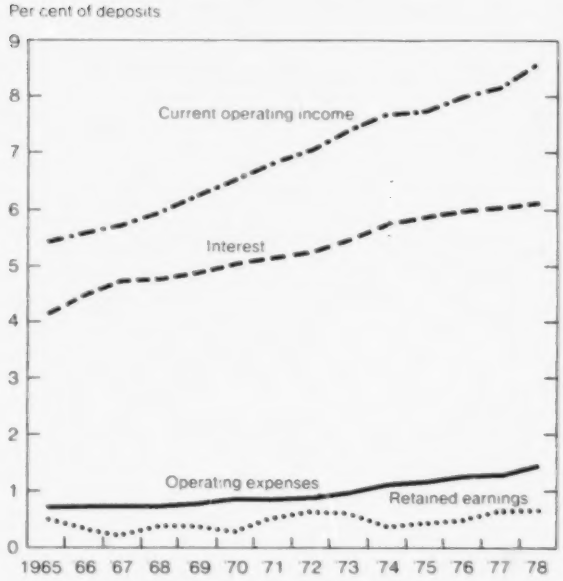
Per Cent of Mutual Savings Banks Offering Ceiling Rates on Deposits, Selected Dates 1977-1979

Type and maturity of account	Ceiling rate (per cent)	Per cent of banks offering ceiling rates on indicated types of accounts		
		May 31, 1979	Dec. 31, 1978	Dec. 31, 1977
Ordinary savings deposits	5¼	99	99	99
Time deposits of less than $100,000, by maturity:				
6-month $10,000 minimum	*	96	73	—
90 days-1 year	5¾	67	66	66
1-2½ years	6½	97	96	92
2½ years or more	6¾	97	96	90
4-6 years, $1,000 minimum	7½	95	94	72
6-8 years, $1,000 minimum	7¾	92	91	57
8 years or more, $1,000 minimum	8	90	86	—

*Ceiling rate is related to the auction discount rate on 6-month Treasury bills. See note to Table 55.
NOTE: Data for December 31, 1977 and December 31, 1978 are based on information for all savings banks. Data for May 31, 1979 are industry estimates compiled by NAMSB on the basis of reports representing about 93% of savings bank deposits.
SOURCE: NAMSB.

Chart 7

Selected Income and Expense Ratios of Mutual Savings Banks, 1965-1978



NOTE: Data represent operating income, interest payments, operating expenses and retained earnings as a per cent of average deposits held during the year. Retained earnings are operating income less: (1) operating expenses; (2) interest payments to depositors; (3) franchise and income taxes; and (4) net realized losses. Items (3) and (4) are not shown separately. See also note to Table 46.
SOURCE: NAMSB.

Table 57

Number of Employees of Mutual Savings Banks, by States, December 31, 1978

State	Number of employees	Deposits per employee (in thousands of dollars)	Number of employees per office
New York	24,312	3,165	26.1
Massachusetts	9,916	2,033	14.8
Connecticut	5,578	2,199	15.0
Pennsylvania	3,419	3,310	17.6
New Jersey	3,336	2,321	19.1
Washington	1,804	2,016	14.2
New Hampshire	1,344	1,635	20.4
Maine	1,372	1,597	12.0
Rhode Island	1,459	1,026	20.5
Maryland	979	1,428	16.9
Vermont	415	1,803	18.0
All other states	1,236	2,105	21.7
TOTAL	55,170	2,587	19.3

NOTE: Data cover all active, full time personnel including both officers and other employees. Deposits per employee refer to the dollar amount of deposits divided by the number of employees, while the number of employees per office represents the number of employees divided by the number of offices.
SOURCE: NAMSB.

Table 58

Number of Employees of Mutual Savings Banks, by Deposit Size, December 31, 1978

Deposit size (in millions of dollars)	Number of employees	Deposits per employee (in thousands of dollars)	Number of employees per office
Under 10.0	48	1,119	4.8
10.0-24.9	246	1,840	7.9
25.0-49.9	1,429	1,722	11.2
50.0-99.9	4,794	1,867	12.8
100.0-249.9	9,684	1,976	13.9
250.0-499.9	7,586	2,269	18.5
500.0-999.9	12,537	2,436	21.7
1,000.0-1,999.9	8,538	3,116	24.6
2,000 and over	10,308	3,618	36.3
TOTAL	55,170	2,587	19.3

NOTE: See note to Table 57.
SOURCE: NAMSB.

V — Mutual Savings Banks in the Savings Market

As the means of financing capital formation, saving in all its forms is essential to economic growth. The household sector is by far the most important source of savings, generating between 66%and 80% of gross national saving in recent years. While the financial savings of households are allocated among a broad range of investments, the largest portion is held in savings and time accounts at mutual savings banks, savings and loan associations and commercial banks.

Not surprisingly, savings and time deposit flows are inversely related to investment in direct market instruments. Deposit flows rise, and holdings of direct market investments decline, when yields on savings deposits exceed those on open-market investments as in 1971-72 and 1975-76. But savings flows fall in periods when market yields climb above deposit rates and households increase their net acquisitions of direct market instruments as in 1966, 1969 and 1973-74. In the 1978-79 period of high interest rates, savings and time deposit flows also dropped sharply, even though market rate-linked deposit instruments such as the 6-month money market certificate, were created.

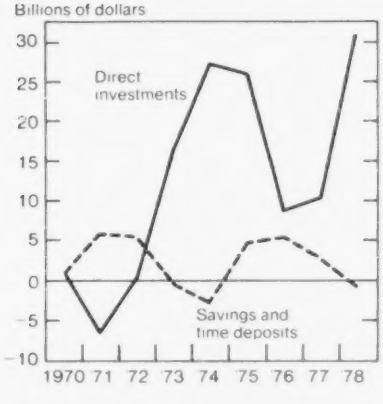
Savings Banks in Savings Account Markets

At the end of 1978, mutual savings banks accounted for 13% of the total volume of funds held by households in savings accounts (Table 60). While not large on a nationwide basis, mutual savings banks are the leading thrift institutions in many of the states where they are located. In five states — New York, Massachusetts, Connecticut, New Hampshire and Maine — savings banks held more savings at the end of 1978 than either commercial banks or savings and loan associations (Table 61).

Among major deposit type institutions, thrift institutions and commercial banks show highly contrasting patterns of savings flows. In general, deposit inflows at mutual savings banks and savings and loan associations are similar in their sensitivity to overall business and capital market changes, generally declining in periods of capital market stringency and accelerating in periods of stable or declining short-term interest rates.

The pattern of net inflows at commercial banks, however, has also partly reflected, in addition to financial market changes, changes in interest rate ceilings which have altered the competitive balance between commercial banks and thrift institutions. For example, in mid-1973, new time and savings deposit rate ceilings established by the regulatory authorities narrowed the differential between commercial banks and thrift institutions, thereby significantly improving the competitive position of commercial banks in savings account markets. Changes in federal regulations governing the 6-month money market certificate in March 1979 further strengthened the relative ability of commercial banks to attract savings funds in a high interest rate climate. This reflects the shorter-term nature of commercial bank assets and the greater interest sensitivity of their earnings as compared with thrift institutions.

Net Deposit Flows, Excluding Interest, in Mutual Savings Banks and Direct Investments of Households, 1970-1978



NOTE: Savings bank deposits represent savings and time deposits, excluding interest. See Tables 18 and 59.

Household Savings and Time Deposit Growth at Selected Types of Financial Institutions, 1970-1978

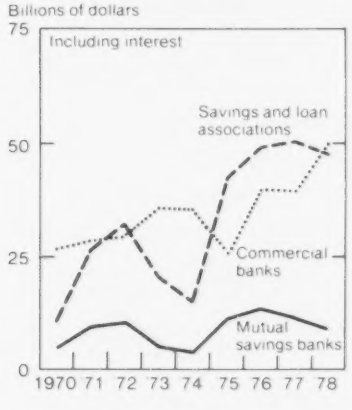


Table 59

Financial Saving by Households, 1971-1978

(In billions of dollars)

Item	1971	1972	1973	1974	1975	1976	1977	1978
Demand deposits and currency	13.0	14.2	15.2	8.0	5.1	13.8	20.3	16.8
Savings accounts	67.8	74.6	64.2	57.2	84.8	108.1	108.3	110.9
Mutual savings banks	9.9	10.2	4.7	3.1	11.2	13.0	11.1	8.6
Commercial banks	28.1	29.2	35.7	35.4	25.4	39.5	39.2	49.9
Savings and loan associations	26.9	32.0	20.8	15.6	42.8	49.6	50.2	46.0
Credit unions	2.9	3.3	2.9	3.0	5.5	6.0	7.8	6.4
Life insurance reserves	6.2	6.6	7.4	6.5	5.4	6.9	8.1	9.0
Pension fund reserves	21.1	22.6	25.6	29.6	38.0	46.0	55.5	60.7
Direct market instruments	-6.7	.3	16.5	27.5	26.2	8.6	10.4	30.9
U.S. Government securities	-10.0	-.7	16.8	14.4	14.5	4.8	5.4	20.8
State and local obligations	.1	2.3	5.3	8.2	6.1	5.1	8.8	8.5
Corporate and foreign bonds	8.3	4.4	1.3	4.7	8.0	2.1	1.1	-1.8
Money market fund shares	—	—	—	2.4	1.3	*	.2	6.9
Investment company shares	1.3	-.5	-1.2	-.7	-.1	-1.0	-1.0	-1.1
Other corporate stock	-6.4	-5.2	-5.7	-1.5	-3.6	-2.4	-4.1	-2.4
Other financial assets	-1.3	4.4	13.1	-5.5	-6.8	-6.1	10.9	4.5
Net aquisition of financial assets	100.1	122.7	142.0	123.3	152.7	177.3	213.5	232.8
Less: Net increase in liabilities	48.7	70.0	77.6	49.0	51.2	96.6	144.9	164.7
Net financial saving	51.4	52.7	64.4	74.3	101.5	80.7	68.6	68.1
Memoranda:								
Disposable personal income	742.8	801.3	901.7	984.6	1,086.7	1,184.5	1,305.1	1,458.4
Personal saving	57.3	49.4	70.3	71.7	83.6	68.6	65.0	72.0
Saving as per cent of disposable personal income	7.7	6.2	7.8	7.3	7.7	5.8	5.0	4.9

*Less than $50 million.

NOTE: Household sector includes personal trusts and non-profit organizations as well as persons who are members of households. Data for other U.S. Government securities include issues of federally sponsored credit agencies. Pension fund reserves refer to private pension, government employees retirement funds and the Railroad Retirement Fund, but exclude Social Security and other OASI programs. Other financial assets include mortgages, commercial paper, net investment in noncorporate business, security credit advances and miscellaneous assets.

SOURCE: FRB and U.S. Department of Commerce.

Table 60

Financial Assets and Liabilities of Households, Selected Year-End Dates, 1945-1978

(In billions of dollars)

Item	1945	1950	1955	1960	1965	1970	1977	1978
Financial assets:								
Demand deposits and currency	56.7	56.1	66.1	73.2	88.4	117.8	204.4	222.1
Savings accounts	50.1	67.2	105.8	164.8	289.8	426.7	991.9	1,103.9
Mutual savings banks	15.3	20.0	28.2	36.3	52.4	71.6	134.0	142.6
Commercial banks	27.2	32.4	43.8	62.8	120.0	195.4	428.8	479.4
Savings and loan associations	7.3	13.9	31.4	60.7	108.1	144.3	382.2	428.8
Credit unions	.4	.9	2.4	5.0	9.2	15.5	46.8	53.0
Life insurance reserves	39.6	55.0	69.3	85.2	105.9	130.3	180.1	189.1
Pension fund reserves	11.0	24.3	50.5	90.8	154.8	239.6	469.8	534.5
Direct market instruments	195.7	215.9	380.9	510.2	764.6	917.5	1,080.2	1,127.1
U.S. Government securities	68.1	68.2	69.3	74.0	82.0	107.2	152.5	175.2
State and local obligations	6.3	9.2	19.3	30.8	36.4	46.0	81.9	89.0
Corporate and foreign bonds	9.7	4.8	6.0	10.0	10.8	35.3	64.8	62.0
Money market fund shares	—	—	—	—	—	—	3.9	10.8
Investment company shares	1.3	3.3	7.8	17.0	35.2	47.6	42.8	42.6
Other corporate stock	110.4	130.3	278.4	378.4	600.2	681.4	734.3	747.5
Other financial assets	18.9	27.2	35.8	49.6	67.1	95.0	171.4	208.6
Total financial assets	372.0	445.7	708.5	973.9	1,470.6	1,926.9	3,097.6	3,385.3
Less: Total financial liabilities	33.1	75.9	142.8	225.9	356.2	497.6	1,036.1	1,207.8
Net financial equity	338.9	369.9	565.7	748.0	1,114.4	1,429.3	2,061.5	2,177.5

NOTE: Other assets include mortgages, commercial paper, security credit advances and miscellaneous assets. Year-to-year changes in some asset figures are not equivalent to data on household saving in the various forms shown in Table 59, since holdings of some asset items, such as investment company shares and other corporate stock, are stated at market value. Certain other items are also computed on a different basis than in Table 59.

SOURCE: FRB.

Table 61

Savings Held in Selected Media, by Mutual Savings Bank States, December 31, 1978

(In millions of dollars)

State	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Credit unions
New York	168,567	76,948	68,530	20,690	2,399
Massachusetts	37,170	20,161	8,387	6,662	1,960
Connecticut	21,056	12,265	4,734	3,269	788
Pennsylvania	64,495	11,317	33,463	17,939	1,776
New Jersey	41,334	7,741	15,658	17,074	861
Washington	19,179	3,637	7,497	6,560	1,485
New Hampshire	4,824	2,198	1,610	853	163
Maine	5,044	2,191	2,071	521	261
Rhode Island	5,713	1,496	3,064	607	546
Maryland	16,696	1,398	6,365	7,778	1,155
Minnesota	21,418	864	11,715	8,004	835
Delaware	2,648	848	1,449	223	128
Vermont	2,279	748	1,260	197	74
Oregon	11,064	418	5,195	4,726	725
Indiana	23,381	228	13,839	8,033	1,281
Alaska	1,356	172	556	215	413
Wisconsin	22,559	73	12,320	9,116	1,050
TOTAL	468,781	142,701	197,713	112,467	15,900

NOTE: Data include total deposits of mutual savings banks, savings and time deposits of individuals, partnerships and corporations of commercial banks, savings capital of savings and loan associations and savings of credit unions.
SOURCE: CUNA, FDIC, NAMSB and USLSA.

Table 62

Savings and Time Deposits Held in Mutual Savings Banks, by Selected Metropolitan Areas, June 30, 1978

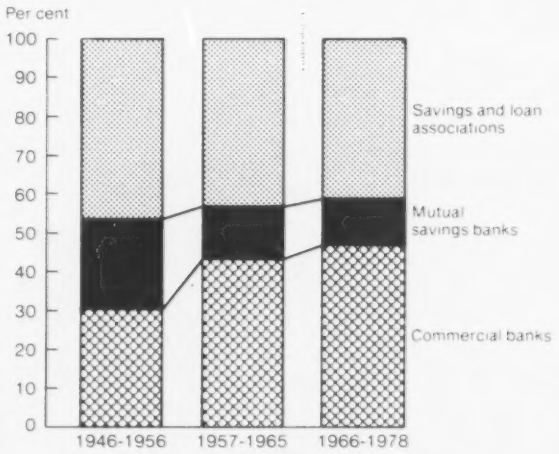
(In millions of dollars)

Metropolitan area	Total	Savings	Time
New York, N.Y.-N.J.	50,511	29,300	21,210
Boston, Mass.	10,976	6,520	4,455
Philadelphia, Pa.-N.J.	9,278	4,946	4,332
Nassau-Suffolk, N.Y.	7,866	3,831	4,034
Buffalo, N.Y.	5,134	2,514	2,620
Newark, N.J.	4,262	2,270	1,993
Albany-Schenectady-Troy, N.Y.	3,165	1,795	1,370
Hartford, Conn.	2,817	1,496	1,321
Rochester, N.Y.	2,156	1,119	1,036
Seattle-Everett, Wash.	2,072	1,239	833
Springfield-Chicopee-Holyoke, Mass.-Conn.	1,980	1,062	917
Bridgeport, Conn.	1,998	1,090	908
Syracuse, N.Y.	1,953	1,077	876
New Haven-West Haven, Conn.	1,618	968	650
Providence-Warwick-Pawtucket, R.I.-Mass.	1,467	845	622
Worcester, Mass.	1,281	821	460
Baltimore, Md.	1,302	978	324
Pittsburgh, Pa.	1,213	631	582
Jersey City, N.J.	917	719	198
Spokane, Wash.	700	356	344
TOTAL	112,662	63,577	49,085

NOTE: Areas shown are Standard Metropolitan Statistical Areas as defined by the Office of Management and Budget representing 82% of total savings bank deposits.
SOURCE: FDIC.

Chart 8

Percentage Distribution of Household Savings and Time Deposit Growth, Selected Periods, 1946-1978



NOTE: Data refer to percentage composition of combined household savings and time deposit growth, including interest, at mutual savings banks, commercial banks and savings and loan associations. See also note to Table 59.
SOURCE: FRB and NAMSB.

VI — Mutual Savings Banks in the Mortgage Market

Mortgage loans historically have represented the single most important type of private capital market sector. At the end of 1978, total mortgage debt amounted to $1,173 billion. Of this total, $762 billion were in loans secured by 1- to 4-family homes, $335 billion represented multi-family and commercial mortgage debt, and the remaining $76 billion, farm mortgages (Table 63).

Mutual savings banks are major holders of federally-underwritten mortgage loans and a significant source of conventional mortgage credit as well. At the end of 1978, savings banks accounted for about one-third of total federally-underwritten mortgage debt held by the main types of financial institutions (Table 67). In recent years, reduced investment opportunities in FHA/VA markets have led to a decline in the federally-underwritten share of industry mortgage lending activity and a corresponding rise in the conventional loan proportion. However, this reduction has been partly offset by large-scale purchases of GNMA guaranteed mortgage-backed securities which are secured by FHA and VA loans.

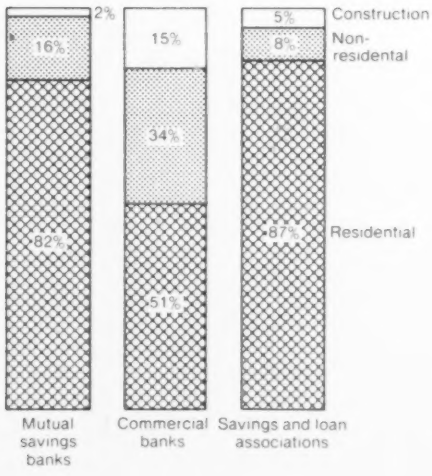
Savings banks are basically oriented toward permanent long-term mortgage loans, allocating 88% of their new mortgage funds into these loans during 1978 and only 12% into short-term construction loans. By contrast, construction loans were more important in the gross mortgage lending activity of commercial banks (34%) and savings and loan associations (18%).

Although mutual savings banks operate in both local and national mortgage markets, their major activity is concentrated in local markets. They are leading mortgage lenders within their own states, accounting for 43% of all mortgage debt held by deposit-type institutions in the 11 main savings bank states at the end of 1977, the latest period for which these data are available. In five of these states, savings bank mortgage holdings exceeded those of commercial banks and savings and loan associations combined (Table 69). Over the past decade, moreover, savings banks have generally placed primary emphasis on meeting mortgage demands in their local communities.

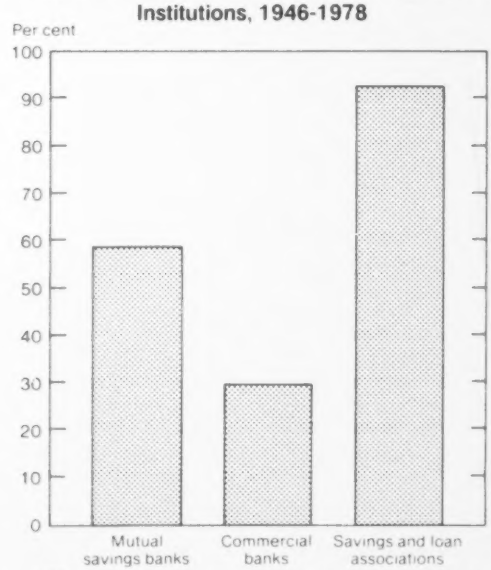
"Alternative" Mortgage Activity

In recent years, an increasing number of savings banks have begun to offer home mortgages with variable rates. These instruments generally take two forms: (1) long-term mortgage contracts with interest rates that vary in response to changes in a specified "reference" rate; and (2) short-term contracts with long-term amortization schedules carrying rates that may be adjusted at scheduled maturity dates. Another major type of "alternative" mortgage investment — graduated payment loans — are also being offered by some savings banks. These contracts, developed for moderate income young home buyers with rising income potential, carry a fixed rate and term, with payments starting lower in the early years and increasing to higher levels later.

Percentage Distribution of Mortgage Holdings at Selected Financial Institutions, by Type of Property, December 31, 1978



Net Increase in Residential Mortgage Holdings as a Per Cent of Household Savings and Time Deposit Growth, Selected Types of Financial Institutions, 1946-1978



NOTE: Residential mortgage holdings include 1- to 4-family and multifamily loans.

Table 63

Mortgage Debt Outstanding, by Type of Property and Loan, Selected Year-End Dates, 1955-1978

(In millions of dollars)

End of year	Total	Nonfarm						Farm
		1- to 4-family				Multifamily and commercial		
		Total	FHA	VA	Conventional	FHA	Conventional	
1955	129,892	88,249	14,324	24,600	49,325	3,994	28,627	9,022
1960	207,498	141,940	26,742	29,700	85,498	5,887	46,833	12,838
1961	227,967	154,598	29,544	29,600	95,454	6,442	53,010	13,917
1962	251,440	169,302	32,324	29,860	107,118	7,182	59,763	15,193
1963	278,478	186,396	35,012	30,860	120,524	7,542	67,718	16,822
1964	305,909	203,358	38,299	30,940	134,119	7,912	75,697	18,942
1965	333,306	220,479	42,045	31,082	147,352	8,041	83,599	21,187
1966	356,476	232,944	44,798	31,284	156,862	8,006	92,449	23,077
1967	381,206	247,330	47,415	32,515	167,400	8,258	100,476	25,142
1968	410,916	264,783	50,582	33,841	180,360	8,996	109,740	27,397
1969	441,414	283,163	54,537	35,654	192,972	9,992	119,076	29,183
1970	474,188	298,102	59,933	37,328	200,841	11,965	133,775	30,346
1971	526,467	328,940	65,732	39,469	223,739	15,529	149,791	32,207
1972	603,417	372,793	68,233	44,721	259,839	18,174	176,692	35,758
1973	682,321	416,883	66,207	50,031	300,645	18,806	205,379	41,253
1974	742,512	449,937	65,134	56,161	328,642	18,917	227,370	46,288
1975	801,537	490,761	66,140	61,609	363,012	19,235	240,664	50,877
1976	889,202	556,456	66,505	67,041	422,910	20,600	255,115	57,031
1977	1,023,505	656,566	68,041	73,567	514,958	20,131	280,984	65,824
1978p	1,172,502	761,905	71,360	82,017	608,528	23,000	311,601	75,996

p — preliminary.

SOURCE: FRB and NAMSB.

Table 64

Mortgage Debt Outstanding, by Type of Holder, Selected Year-End Dates, 1945-1978

(In millions of dollars)

End of year	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies	Federally sponsored credit agencies	Real estate investment trusts	Pension funds	All other holders
1945	35,536	4,208	4,772	5,376	6,636	1,035	—	18	13,491
1950	72,817	8,262	13,663	13,657	16,102	984	—	177	19,972
1955	129,892	17,457	21,004	31,409	29,445	1,699	—	639	28,239
1960	207,498	26,935	28,806	60,070	41,771	5,669	—	2,751	41,496
1961	227,967	29,145	30,442	68,834	44,203	5,990	—	3,456	45,897
1962	251,440	32,320	34,476	78,770	46,902	6,311	—	4,118	48,543
1963	278,478	36,224	39,414	90,944	50,544	5,866	—	4,832	50,654
1964	305,909	40,556	43,976	101,333	55,152	6,339	—	5,848	52,705
1965	333,306	44,617	49,675	110,306	60,013	7,670	—	7,131	53,894
1966	356,476	47,336	54,380	114,427	64,609	10,668	—	8,427	56,629
1967	381,206	50,490	59,019	121,805	67,516	13,119	—	9,086	60,171
1968	410,916	53,457	65,696	130,802	69,975	15,819	830	9,429	64,908
1969	441,414	56,138	70,705	140,232	72,027	20,868	2,007	9,791	69,646
1970	474,188	57,948	73,275	150,331	74,375	27,801	3,904	10,091	76,463
1971	526,467	61,978	82,515	174,250	75,496	36,198	6,203	9,946	79,881
1972	603,417	67,556	99,314	206,182	76,948	45,091	10,396	9,198	88,732
1973	682,321	73,230	119,068	231,733	81,369	55,890	15,956	9,517	95,558
1974	742,512	74,920	132,105	249,301	86,234	71,826	16,145	10,074	101,907
1975	801,537	77,249	136,186	278,590	89,168	87,512	13,178	9,925	109,729
1976	889,202	81,639	151,326	323,005	91,555	106,099	9,371	10,102	116,105
1977	1,023,505	88,104	178,979	381,163	96,765	130,070	6,984	10,538	130,902
1978p	1,172,502	95,157	213,963	432,858	105,932	160,623	5,935	11,784	146,250

p — preliminary.

NOTE: Data for federally-sponsored credit agencies include mortgage-backed securities. Figures for pension funds refer to holdings of private pension funds and state and local retirement funds.

SOURCE: FRB.

Table 65

Percentage Distribution of Mortgage Holdings of Main Types of Financial Institutions, by Type of Loan and Property, December 31, 1978

(In per cent)

	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies
By type of loan				
FHA	14.8	2.4	3.3	6.0
VA	12.5	1.4	3.7	3.1
Conventional and other	70.9	83.5	87.9	90.5
Construction	1.9	12.8	5.1	.4
TOTAL	100.0	100.0	100.0	100.0
By type of property				
Residential				
1- to 4-family	65.9	54.5	80.0	13.6
Multifamily	16.2	2.7	7.6	17.9
Nonresidential	16.0	26.0	7.2	58.0
Farm	*	4.0	.1	10.1
Construction	1.9	12.8	5.1	.4
TOTAL	100.0	100.0	100.0	100.0

*Less than .05%.
SOURCE: HUD and NAMSB.

Table 66

Percentage Distribution of Gross Mortgage Acquisitions of Main Types of Financial Institutions, 1978

(In per cent)

	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies
Long term mortgage loans				
Residential	77.5	44.2	77.7	20.9
1- to 4-family	68.0	42.1	72.9	9.9
Multifamily	9.5	2.1	4.8	11.0
Nonresidential	10.8	18.6	4.3	61.1
Farm	*	3.1	.1	16.0
Construction loans	11.7	34.1	18.0	2.0
TOTAL	100.0	100.0	100.0	100.0

*Less than .05%.
SOURCE: HUD and NAMSB.

Table 67

Holdings of Federally-Underwritten Mortgage Debt by Main Types of Financial Institutions, 1955-1978

End of year	In millions of dollars					Percentage distribution				
	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies
1955	37,950	9,923	8,271	7,287	12,469	100.0	26.1	21.8	19.2	32.9
1956	42,313	11,548	8,705	8,129	13,931	100.0	27.3	20.6	19.2	32.9
1957	43,997	12,459	8,412	8,654	14,472	100.0	28.3	19.1	19.7	32.9
1958	46,831	13,861	8,811	9,283	14,876	100.0	29.6	18.8	19.8	31.8
1959	49,688	14,865	9,283	10,181	15,359	100.0	29.9	18.7	20.5	30.9
1960	51,449	16,060	8,710	10,746	15,933	100.0	31.2	16.9	20.9	31.0
1961	53,451	17,312	8,602	11,319	16,218	100.0	32.4	16.1	21.2	30.3
1962	56,256	19,025	9,174	11,486	16,571	100.0	33.8	16.3	20.4	29.5
1963	59,954	21,174	9,967	11,656	17,157	100.0	35.3	16.6	19.4	28.6
1964	62,931	23,408	10,057	11,579	17,887	100.0	37.2	16.0	18.4	28.4
1965	65,486	25,199	10,390	11,543	18,354	100.0	38.5	15.9	17.6	28.0
1966	66,099	25,971	10,150	11,426	18,552	100.0	39.3	15.4	17.3	28.1
1967	67,699	26,869	10,405	12,142	18,283	100.0	39.7	15.4	17.9	27.0
1968	69,820	27,602	10,633	13,670	17,915	100.0	39.5	15.2	19.6	25.7
1969	71,626	28,028	10,622	15,560	17,416	100.0	39.1	14.8	21.7	24.3
1970	74,089	28,095	10,509	18,672	16,813	100.0	37.9	14.2	25.2	22.7
1971	79,459	28,216	11,290	24,298	15,655	100.0	35.5	14.2	30.6	19.7
1972	83,649	28,635	11,518	28,874	14,622	100.0	34.2	13.8	34.5	17.5
1973	83,331	28,452	11,531	29,738	13,610	100.0	34.1	13.8	35.7	16.3
1974	80,510	27,511	10,393	29,884	12,722	100.0	34.2	12.9	37.1	15.8
1975	78,614	26,818	9,383	30,590	11,823	100.0	34.1	11.9	38.9	15.0
1976	77,745	26,913	8,644	31,331	10,857	100.0	34.6	11.1	40.3	14.0
1977	74,615	26,120	8,401	30,155	9,939	100.0	35.0	11.3	40.4	13.3
1978p	72,059	26,027	7,548	29,200	9,284	100.0	36.1	10.5	40.5	12.9

p — preliminary.
NOTE: Federally-underwritten mortgage debt refers to VA-guaranteed and FHA-insured loans.
SOURCE: ACLI, FRB and NAMSB.

Table 68

Holdings of Multifamily Mortgage Debt by Main Types of Financial Institutions, Selected Year-End Dates, 1950-1978

(In millions of dollars)

End of year	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies
1950	6,522	2,728	950	229	2,615
1955	8,709	3,730	813	614	3,552
1960	10,899	3,731	1,120	2,183	3,865
1965	25,202	6,283	1,986	8,122	8,811
1970	40,898	7,788	3,311	13,830	15,969
1971	47,916	9,586	3,984	17,599	16,747
1972	55,086	10,910	5,778	21,051	17,347
1973	60,505	12,343	6,932	22,779	18,451
1974	63,975	12,923	7,619	23,808	19,625
1975	64,883	13,792	5,915	25,547	19,629
1976	69,862	14,177	8,082	28,425	19,178
1977	75,839	15,304	9,215	32,513	18,807
1978p	82,524	16,529	10,912	36,057	19,026

p — preliminary.
NOTE: Data refer to holdings of loans on properties for five or more families.
SOURCE: FRB.

Table 69

Mortgage Holdings of Selected Types of Financial Institutions, by Mutual Savings Bank States, December 31,1977

(In millions of dollars)

State	Total	Mutual savings banks	Commercial banks	Savings and loan associations
New York	77,664	46,546	13,713	17,405
Massachusetts	21,123	13,142	2,374	5,607
Connecticut	13,305	8,516	2,019	2,770
Pennsylvania	33,871	5,623	11,912	16,336
New Jersey	24,632	4,410	6,884	13,338
Washington	11,406	2,780	2,386	6,240
New Hampshire	2,994	1,468	770	756
Maine	2,611	1,488	670	453
Rhode Island	3,163	1,075	1,524	564
Maryland	11,261	895	3,164	7,202
Vermont	1,429	549	701	179
All other states	46,667	1,703	17,826	27,138
TOTAL	250,126	88,195	63,943	97,988

NOTE: Data for 1977 are the latest available.
SOURCE: FDIC, FHLBB and NAMSB.

Table 70

Mortgage Holdings of Mutual Savings Banks, by Location of Property, Selected Dates, 1951-1978

Type of mortgage and location of property	1951	1960	1966	1968	1970	1972	1974	1976	1978
	(Amounts on millions of dollars)								
Total mortgage holdings	8,428	26,213	46,555	52,410	57,275	65,834	74,730	80,142	93,242
In-state	7,184	17,103	28,114	31,691	34,876	41,245	48,159	52,778	63,617
Out-of-state	1,244	9,110	18,441	20,719	22,398	24,589	26,571	27,364	29,625
Savings banks states	745	2,786	4,830	5,642	6,248	5,992	6,412	6,121	7,291
Non-savings bank states	499	6,323	13,611	15,078	16,150	18,598	20,158	21,243	22,334
FHA	n.a.	2,622	7,233	7,817	8,110	8,816	8,325	8,366	7,843
VA	n.a.	3,634	6,015	6,605	6,807	7,368	7,684	7,335	6,851
Conventional	n.a.	68	363	656	1,234	2,414	4,150	5,542	7,639
	(percentage distribution)								
Total mortgage holdings	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
In-state	85.2	65.2	60.4	60.5	60.9	62.7	64.5	65.9	68.2
Out-of-state	14.8	34.8	39.6	39.5	39.1	37.4	35.6	34.1	31.8
Savings bank states	8.8	10.6	10.4	10.8	10.9	9.1	8.6	7.6	7.8
Non-savings bank states	5.9	24.1	29.2	28.8	28.2	28.3	27.0	26.5	24.0
FHA	n.a.	10.0	15.5	14.9	14.2	13.4	11.1	10.4	8.4
VA	n.a.	13.9	12.9	12.6	11.9	11.2	10.3	9.2	7.3
Conventional	n.a.	.3	.8	1.3	2.2	3.7	5.6	6.9	8.2
Memoranda:									
GNMA mortgage-backed securities (millions of dollars)	—	—	—	—	n.a.	1,189	2,066	5,143	9,742

n.a. — not available.
NOTE: Data are as of March 31,1951, September 30,1960, 1966, 1968, 1970, 1972, 1974, 1976 and 1978. Figures are gross before deduction of valuation reserves, except for 1951 where data are net of valuation reserves.
SOURCE: NAMSB.

Table 71

Residential Mortgage Holdings of Selected Types of Financial Institutions in Non-Savings Bank States, by Type of Loan, September 30, 1978

(In millions of dollars)

State	Total Residential			Total FHA and VA		
	Mutual savings banks	Commercial banks	Savings and loan associations	Mutual savings banks	Commercial banks	Savings and loan associations
California	3,768	18,584	70,741	2,852	1,938	3,051
Texas	2,482	4,260	19,719	1,566	157	1,373
Florida	1,750	3,254	27,438	1,332	220	1,940
Virginia	1,718	3,279	5,815	1,269	140	226
Georgia	1,082	1,749	7,179	811	36	144
Ohio	993	5,560	24,274	908	155	1,171
Colorado	741	1,039	5,696	580	66	734
Arizona	708	1,446	3,472	608	390	223
Michigan	622	7,520	11,047	589	816	846
Louisiana	606	1,683	5,131	462	54	158
Alabama	594	1,404	3,085	503	52	343
Illinois	592	7,803	28,257	402	190	1,597
North Carolina	573	1,165	7,520	488	55	86
Tennessee	520	2,031	4,670	456	62	349
South Carolina	290	395	4,162	233	26	74
Oklahoma	258	1,106	3,537	202	31	250
Missouri	248	2,542	9,796	205	145	1,122
Mississippi	225	772	1,767	210	15	203
Nevada	220	382	1,216	192	62	56
All other states	1,096	11,668	33,827	826	764	2,488
TOTAL	19,086	77,643	278,351	14,694	5,374	16,433

NOTE: Data for total mortgages include conventional loans not shown separately. Data for all commercial banks and insured savings and loan associations are as of December 31, 1977. Reflecting statutory restrictions in major savings bank states prior to 1966, total holdings of savings banks remain largely FHA and VA loans. Data for all insured savings and loan associations are based on the location of institutions and include nonresidential loans. Figures for both commercial banks and savings and loan associations are based on the location of institutions and include both local and any out-of-state loans these institutions hold.
SOURCE: FDIC, FHLBB and NAMSB.

Table 72

Average Interest Rates and Other Terms on Conventional First Mortgage Loans on Single Family Homes Originated by Major Lenders, 1977 and 1978

Type of home purchased and institution	Contract interest rate (per cent)		Fees and charges (per cent)		Effective interest rate (per cent)		Maturity (years)		Loan to price ratio (per cent)	
	1977	1978	1977	1978	1977	1978	1977	1978	1977	1978
New home purchase										
All institutions	8.80	9.30	1.33	1.39	9.01	9.54	27.9	28.0	76.3	75.3
Mutual savings banks	8.53	8.91	.54	.58	8.62	9.00	27.9	28.0	71.5	70.8
Commercial banks	8.81	9.30	.80	.88	8.94	9.45	23.5	23.5	70.9	69.0
Savings and loan associations	8.81	9.32	1.43	1.51	9.04	9.58	28.4	28.6	77.0	76.0
Mortgage companies	8.82	9.39	1.75	1.79	9.10	9.69	29.5	29.8	83.0	83.1
Existing home purchase										
All institutions	8.83	9.37	1.17	1.26	9.02	9.58	25.8	26.4	75.1	75.1
Mutual savings banks	8.57	8.91	.47	.53	8.65	8.99	25.4	25.9	71.0	71.0
Commercial banks	8.77	9.27	.81	.88	8.91	9.43	21.9	23.1	67.6	68.5
Savings and loan associations	8.86	9.43	1.32	1.40	9.08	9.66	26.6	27.1	76.8	76.7
Mortgage companies	8.90	9.48	1.45	1.68	9.13	9.76	29.6	29.8	86.4	83.3

NOTE: Data are unweighted averages of monthly loan terms approved during 1977 and 1978 by the four major types of lenders. Coverage is confined to loans originated directly and excludes loans acquired through correspondents. Fees and charges refer to discounts and initial payments that provide income to the lender and are expressed as per cent of the principal amount of the mortgage. Effective interest rate includes, in addition to the contract interest rate, fees and charges amortized over a ten year period. Loan to price ratio is the amount of mortgage credit extended as per cent of purchase price of the home.
SOURCE: FDIC and NAMSB.

VII — Services Offered by Mutual Savings Banks

Savings banks generally provide a wide variety of financial services to consumers, within the limits of their authorized powers. These include basic deposit and mortgage credit services, as well as such long-standing programs as savings bank life insurance, safe deposit facilities, money orders, travelers checks and passbook loans. In addition, an increasing number of savings banks have broadened and modernized family financial service programs as their legal authority has expanded. Notable examples are: (1) various types of third party payment services such as NOW accounts, checking accounts and telephone transfer systems; (2) retirement programs, including IRA and Keogh plans; and (3) direct deposit Social Security and related retirement payments (Tables 76 and 77).

With regard to Savings Bank Life Insurance, over 1.7 million ordinary policies and group certificates were outstanding at the end of 1978 with a face value of $10.6 billion, or $11.3 billion, including reinsurance. During the 1960-1978 period, the number of policies and certificates in force more than doubled while their dollar value increased almost ninefold. Ordinary policies account for the largest share of total savings bank life insurance in force (Tables 73-75).

Savings Bank Life Insurance, Massachusetts, Savings Banks Life Insurance Fund, New York and The Savings Bank Life Insurance Company, Connecticut are the central organizations associated with this service in their respective states. In addition, The Savings Bank Life Insurance Company, a legal service life insurance company owned by savings banks, is chartered to serve the industry in all states.

Table 73

Savings Bank Life Insurance in Force, Selected Years, 1908-1978

(In millions of dollars)

Year	Total	Massachusetts			New York			Connecticut		
		Total	Ordinary	Group	Total	Ordinary	Group	Total	Ordinary	Group
1908	.1	.1	.1	—	—	—	—	—	—	—
1918	9.8	9.8	7.2	2.6	—	—	—	—	—	—
1928	57.8	57.8	46.3	11.5	—	—	—	—	—	—
1939	179.0	173.1	162.3	10.9	5.8	5.8	—	—	—	—
1942	252.7	222.8	210.3	12.5	28.8	28.2	.6	1.2	1.2	—
1945	331.0	264.1	247.6	16.4	61.1	56.8	4.3	5.9	4.8	1.1
1950	579.8	392.6	360.7	31.9	172.9	158.9	14.0	14.4	12.5	1.9
1955	859.8	543.8	496.7	47.1	284.2	244.6	39.6	31.7	22.7	9.0
1960	1,248.7	738.5	669.8	68.7	448.6	391.9	56.7	61.6	37.9	23.7
1961	1,353.5	788.6	710.9	77.7	498.4	439.8	58.6	66.5	41.5	25.0
1962	1,493.9	866.7	775.7	91.1	555.1	492.8	62.3	72.1	44.9	27.2
1963	1,635.3	934.4	839.6	94.8	622.8	552.4	70.4	78.1	47.2	30.9
1964	1,836.7	1,002.7	894.2	108.5	750.3	664.2	86.2	83.7	50.6	33.1
1965	2,058.1	1,072.0	947.5	124.4	894.1	785.2	108.8	92.1	54.2	37.9
1966	2,291.1	1,151.7	1,006.3	145.5	1,039.4	917.7	121.7	99.9	56.1	43.8
1967	2,568.7	1,240.6	1,082.6	158.0	1,219.5	1,081.2	138.3	108.6	60.3	48.3
1968	2,879.4	1,333.6	1,152.8	180.8	1,435.2	1,258.3	176.9	110.6	63.8	46.8
1969	3,506.1	1,409.4	1,219.6	189.8	1,978.5	1,401.1	577.4	118.2	68.0	50.2
1970	4,019.7	1,512.3	1,300.9	211.4	2,380.8	1,521.0	859.8	126.6	71.7	54.9
1971	4,545.3	1,634.3	1,394.4	239.9	2,777.5	1,657.3	1,120.2	133.5	76.6	56.9
1972	5,257.8	1,764.3	1,490.7	273.6	3,352.6	1,953.7	1,398.9	140.9	82.5	58.4
1973	6,046.9	1,893.9	1,583.9	310.0	4,001.4	2,291.3	1,710.1	151.6	87.9	63.7
1974	6,923.5	2,029.5	1,679.6	349.9	4,736.8	2,654.1	2,082.7	157.2	91.8	65.4
1975	7,631.6	2,156.4	1,756.7	399.7	5,288.5	3,041.0	2,247.5	186.7	94.5	92.2
1976	8,396.0	2,264.0	1,848.9	415.1	5,913.8	3,444.8	2,469.0	218.2	97.4	120.8
1977	9,442.0	2,371.9	1,924.5	447.4	6,824.0	3,813.4	3,010.6	246.1	99.9	146.2
1978	10,574.5	2,535.9	2,031.9	504.0	7,713.5	4,145.0	3,568.5	325.1	110.0	215.1

NOTE: Data are as of October 31 for Massachusetts and December 31 for New York and Connecticut. Data exclude amounts of reinsurance under various programs. Additions of these amounts bring total savings bank life insurance in force to $11.3 billion.

SOURCE: Commissioner of Banks, Commonwealth of Massachusetts, Savings Bank Life Insurance, Massachusetts, The Savings Bank Life Insurance Company, Connecticut, and Savings Banks Life Insurance Fund, New York.

Savings Bank Services

Table 74

Total Savings Bank Life Insurance in Force, Including Reinsurance Programs, 1960-1978

(In millions of dollars)

Year	Total	Mass.	New York	Conn.
1960	1,248.7	738.5	448.6	61.6
1965	2,234.6	1,072.0	954.0	208.6
1966	2,506.1	1,151.7	1,110.8	243.6
1967	2,797.5	1,240.6	1,294.9	262.0
1968	3,138.5	1,333.6	1,509.3	295.6
1969	3,780.1	1,409.4	2,050.2	320.5
1970	4,341.7	1,512.3	2,477.3	352.1
1971	4,869.0	1,634.3	2,865.8	368.9
1972	5,587.2	1,764.3	3,428.9	394.0
1973	6,402.5	1,893.9	4,074.4	434.2
1974	7,446.3	2,029.5	4,878.5	538.3
1975	8,215.4	2,156.4	5,441.4	617.6
1976	9,033.1	2,272.8	6,071.4	688.9
1977	9,971.6	2,382.7	6,824.0	764.9
1978	11,270.4	2,551.5	7,713.5	1,005.4

NOTE: Data are as of October 31 for Massachusetts and December 31 for New York and Connecticut.
SOURCE: Commissioner of Banks, Commonwealth of Massachusetts; Savings Bank Life Insurance, Mass.; The Savings Bank Life Insurance Co., Conn.; and Savings Banks Life Insurance Fund, N.Y.

Table 75

Number of Savings Bank Life Insurance Policies in Force, Selected Years, 1908-1978

Year	Total	Mass.	New York	Conn.
1908	282	282	—	—
1918	20,707	20,707	—	—
1928	53,858	53,858	—	—
1939	185,810	178,804	7,006	—
1942	281,774	246,243	34,201	1,330
1945	353,347	291,706	56,297	5,344
1950	570,305	423,312	131,907	15,086
1955	706,345	488,931	189,506	27,908
1960	808,751	538,874	230,123	39,754
1965	961,546	621,207	284,864	55,475
1970	1,216,509	715,699	396,701	104,109
1975	1,517,070	813,893	570,701	132,476
1976	1,584,790	826,502	607,860	150,428
1977	1,660,866	837,489	667,202	156,175
1978	1,738,233	844,220	716,313	177,700

NOTE: Prior to 1942 in Massachusetts and to 1950 in New York and Connecticut, data include both ordinary and group policies. For later years, data include the number of ordinary policies and individual certificates issued under group policies. See note to Table 73.
SOURCE: Commissioner of Banks, Commonwealth of Massachusetts; Savings Bank Life Insurance, Mass.; The Savings Bank Life Insurance Co., Conn.; and Savings Banks Life Insurance Fund, N.Y.

Table 76

Number of Savings Banks Offering Selected Services, by States, June 30, 1978

Item	Total	Mass.	New York	Conn.	Me.	N.H.	N.J.	Pa.	Wash.	R.I.	Vt.	Md.
Total number of savings banks	466	165	115	65	30	26	20	8	9	6	6	3
Automated teller facilities	80	34	10	11	2	8	—	2	5	1	3	—
Bank money orders	462	165	115	63	30	26	20	8	9	5	5	3
Checking accounts	222	—	113	49	27	—	20	—	—	—	4	3
Checking or NOW overdraft	150	42	57	34	7	4	—	—	—	—	—	2
Check verification	87	52	11	8	—	11	2	—	1	—	—	—
Club accounts	418	127	113	65	30	25	20	8	5	6	5	3
Collateral loans	380	159	43	63	30	26	20	4	7	6	6	3
Credit cards	180	82	9	46	16	9	3	1	3	4	—	2
Direct deposit	462	164	115	65	30	25	19	8	9	6	6	3
Education loans	376	124	113	62	19	21	19	8	4	5	6	2
Home improvement loans	452	165	114	62	30	26	17	4	9	5	6	3
24-hour cash dispensing	64	26	8	8	2	6	1	2	3	1	3	—
Individual retirement accounts	429	154	113	59	23	24	16	8	9	5	6	2
NOW accounts (interest bearing)	308	157	42	48	27	25	—	4†	1	—	3	—
Passbook loans	464	165	115	65	30	26	20	7	8	6	6	3
Payroll deductions	304	101	94	40	11	14	15	7	7	4	4	3
Personal loans	313	152	—	60	30	26	12	1	9	5	6	3
Personal trust service	8	—	—	—	—	—	4	—	1	2	—	—
Point-of-sale services	26	6	15	—	—	1	1	1	—	1	—	—
Safe deposit boxes	389	119	108	57	28	22	20	6	6	5	5	3
Savings bank life insurance	329	157	112	60	—	—	—	—	—	—	—	—
Savings payout plan	81	16	35	9	4	2	—	4	4	3	2	—
School savings	110	25	46	8	14	5	6	2	1	2	1	—
Self-employed retirement savings (Keogh)	299	125	106	22	1	13	13	6	5	2	2	—
Telephone bill-paying	49	23	7	5	3	3	2	3	1	—	—	1
Travelers checks	459	165	113	64	30	24	20	8	8	5	6	3

†Noninterest bearing NOW accounts (NINOWs)
NOTE: Variations among states partly reflect differences in legal provisions governing the particular services which may be offered by savings banks. Total includes data for states not shown separately. Data on checking accounts and NOW accounts are as of December 31, 1978. See notes to Tables 26 and 27. Data on telephone bill-paying are as of December 31, 1978.
SOURCE: NAMSB

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Table 77

Selected Balance Sheet Powers and Services of Mutual Savings Banks, by States

Item	Alaska	Conn.	Del.	Ind.	Me.	Md.	Mass.	Minn.	N.H.	N.J.	New York	Ore.	Penn.	R.I.	Vt.	Wash.	Wis.
ASSETS																	
Mortgage loans																	
1- to 4-family	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Multi-family	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Non-residential	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Unimproved (land) property	—	•	•	•	•	•	•	•	•	•	•	—	•	•	•	•	—
Other loans																	
Home improvement	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Personal	—	•	—	•	•	•	•	•	•	•	•†	•	—	•	•	•	•
Education	—	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Securities and other investments																	
U.S. Government (including Federal agencies)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
State and local government	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Corporate bonds	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Corporate stock (excluding bank)	•	•	•	—	•	•	•	•	•	•	•	—	•	•	•	•	—
Bank stock	•	•	•	—	•	•	•	•	•	•	—	—	•	•	•	•	—
Federal funds	—	•	•	—	•	•	•	—	•	•	•	—	•	•	•	—	•
Bankers acceptances	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Investment "leeway provisions"	—	•	—	—	•	—	•	—	—	•	•	•	—	—	•	•	—
LIABILITIES																	
Deposits																	
Savings	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
NOW	—	•	—	—	•	—	•	•‡	•	—	•	—	•‡	•	•	•††	—
Time	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Demand	—	•	•	•	•	•	—	—	—	•	•	•	—	•	•	—	—
Debentures	•	•	•	—	•	•	•	•	•	•	•	•	•	•	•	•	•
OTHER FINANCIAL SERVICES																	
Savings Bank Life Insurance	—	•	—	—	—	—	•	—	—	—	•	—	—	—	—	—	—
General personal trust services	—	—	—	—	—	—	—	—	—	•	—	•	—	•	•	•	—

NOTE: Items marked "•" indicate that the power or service exists either by virtue of specific statutory provision, or a general "prudent man" or "leeway" investment authority, or through ownership of a commercial bank subsidiary.
†"Overdraft" loans.
‡Noninterest bearing NOW accounts (NINOWs).
††The State Banking Department and FDIC approved the accessing of savings accounts by the VISA "debit card"; also noninterest-bearing NOW accounts upheld by State court.
SOURCE: NAMSB.

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SOURCE ABBREVIATIONS

ABA	American Bankers Association
ACLI	American Council of Life Insurance
CUNA	Credit Union National Association
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FHLBB	Federal Home Loan Bank Board
FRB	Board of Governors of the Federal Reserve System
HUD	Department of Housing and Urban Development
NAMSB	National Association of Mutual Savings Banks
NCUA	National Credit Union Administration
USLSA	United States League of Savings Associations

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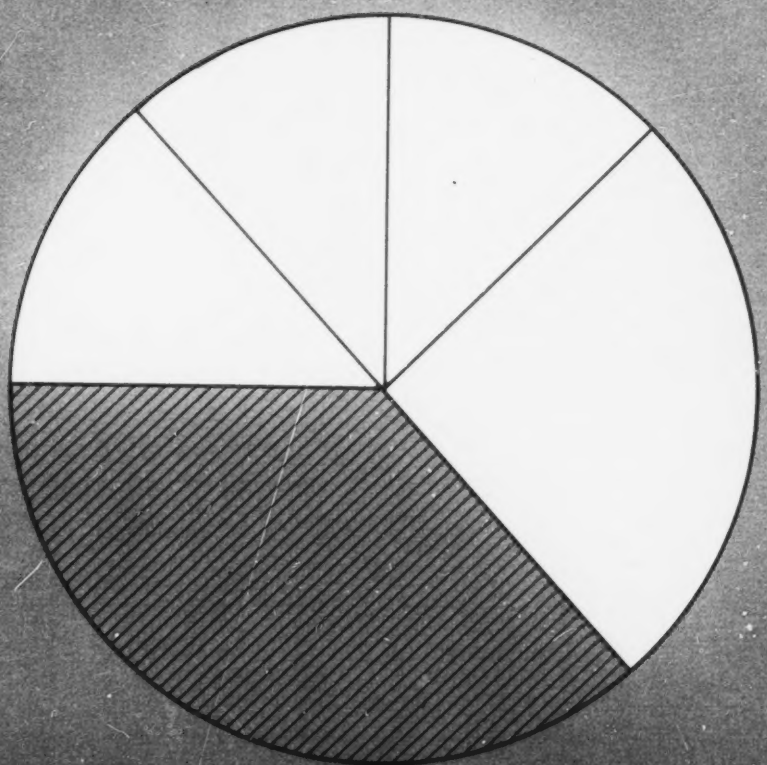

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FOREWORD

This is the 20th annual *National Fact Book of Mutual Savings Banking* prepared by the Research and Economics Department of NAMSB. Its 80 tables, 18 charts and accompanying text remain the most comprehensive single source of information available on mutual savings banking.

The Fact Book generally covers the period ending December 1979 and, in some instances, the early months of 1980. Additional information on short-term industry trends appears in *Savings Bank Journal*, published monthly by NAMSB, and in the *Annual Report*, published in May.

In addition to industrywide statistics, the Fact Book provides numerous geographic breakdowns of savings bank data to help individual banks better evaluate their relative performance within specific market areas. Many of the tables and charts include refinements of the basic figures, in order to accommodate the further analytical needs of readers.

The *National Fact Book* is based essentially on reports submitted by individual savings banks. I deeply appreciate their cooperation in helping to develop and publish this reference work.

Saul B. Klaman

President
September, 1980

HOW TO USE THE FACT BOOK

The *National Fact Book* is organized into seven chapters which provide information on major areas of savings bank activity. The Contents include every entry in the Fact Book, and, together with the Subject Index, provide a detailed guide to specific subjects of interest. The "Highlights" section interprets recent savings bank developments to supplement the longer-run trends discussed in the regular text.

This year's issue of the *National Fact Book* continues to provide increased information on savings bank operations. Of particular significance is the inclusion of : (1) more detailed figures on market-linked CD activity at savings banks; (2) expanded industry data on mortgage lending activity and liquidity trends; and (3) new information on the savings bank role in mortgage-backed securities markets.

We hope readers of the Fact Book will find it a useful research tool for their particular needs. We welcome any comments and suggestions for further improvement.

Jack Rubinson
Director, Research and Economics

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SAVINGS BANK HIGHLIGHTS — 1979-1980

Savings banks experienced severe deposit and earnings pressures throughout 1979 and in early 1980 against a background of dramatic economic and financial developments. After real GNP registered a meager 2.3% gain in 1979, the economy slipped into recession during early 1980. At the same time, the nation's inflation rate averaged an extraordinarily high 11.3% during 1979, and abated only modestly during the first half of 1980. And open market interest rates repeatedly soared to new highs before peaking in April 1980 and commencing a steep decline.

Contributing to the eventual break in the interest rate spiral were two separate actions taken by the Federal Reserve. In October 1979, the Federal Reserve announced a shift in monetary policy from controlling the federal funds rate to managing the growth of the money supply. This was followed in March 1980 by additional steps undertaken as part of a broader Carter anti-inflation program. The latter included the imposition of a series of reserve requirements as well as voluntary limitations on overall loan growth. By August, however, the Federal Reserve had completely dismantled this program, partly on the grounds that its continued presence could drive the economy deeper into recession.

In this environment, the savings bank industry sustained thirteen consecutive months of disintermediation—from April 1979 to April 1980. This occurred despite continued growth in 6-month CD deposits outstanding and increases in Regulation Q ceiling rates on several other accounts. Sharply constricted deposit flows and reduced mortgage repayments, moreover, began to adversely affect the industry's ability to support the mortgage market in late 1979 and early 1980. And pressures on bottom line earnings were intensified as a result of rapidly escalating deposit interest costs and the inability of the industry to take advantage of record high investment yields. The industry deposit picture, however, showed signs of improving during the May-July period.

Deposit Trends

The savings bank industry experienced a record $7 billion savings and time deposit outflow in 1979, excluding interest. And through April 1980 an additional $3.7 billion in regular deposits was lost, before a turnaround developed.

The 1979-80 levels of disintermediation experienced by savings banks surpassed the previous records established during 1973-74. In the most recent period, massive deposit outflows were attributable to: (1) the reduced attractiveness of the market linked 6-month CD; (2) the rapid growth of high yielding, money market mutual funds; (3) intensified commercial bank competition; and (4) generally reduced levels of personal saving.

The reduced appeal of the 6-month certificates reflected a number of federal regulatory changes announced during the 1979-80 period, which improved the competitive position of commercial banks. First, effective March 15, 1979, compounding of interest was prohibited and the ¼% interest rate differential on money market certificates between thrift institutions and the commercial banks was eliminated when the 6-month T-bill rate is 9% or higher. Secondly, as of May 28, 1980 the full ¼% thrift institution differential was reduced to a still narrower 7½-8½% range. Moreover, additional federal regulatory changes undertaken in 1979 and early 1980 on behalf of the "small saver" proved ineffective in stemming savings bank deposit outflows. These included slight increases in ceiling rates on regular savings and short-term time accounts, liberalization of premature withdrawal penalties on time accounts, elimination of minimum denominations on all time accounts, except 6-month CDs, and the establishment of a 4-year market-linked time account which was later replaced with a new 2½ year certificate.

In a broader sense, the diminished appeal of the overall savings bank deposit structure was linked to an increasingly unfavorable yield position between deposit ceiling rates and open market investment yields. In such an environment, low-minimum money market mutual funds became major competitors for household savings, surpassing $75 billion in assets during the first half of 1980.

Despite the deterioration in deposit flows, the 6-month CD continued to dominate savings bank deposit activity in 1979 and early 1980. As of June 30, 1980, 6-month CDs outstanding

amounted to $45 billion, representing 50% of time deposits. As a result of these changes, time deposits as of June 30, 1980 represented 62% of savings bank deposits.

Additional long-run changes in industry deposit patterns also appear in prospect as a result of new federal legislation. In March 1980, President Carter signed the Depository Institutions Deregulation and Monetary Control Act. This law in part provided for the phase-out of Regulation Q deposit interest rate ceilings over a six-year period and, in the interim, established the Depository Institutions Deregulation Committee to oversee this phaseout.

Investment Trends

Record deposit outflows also adversely affected savings bank investment activity throughout 1979 and the first half of 1980. Due to the reduced availability of investment capital, the industry was forced to curtail its mortgage lending. But by utilizing mortgage repayments and reducing nonmortgage related investments, the industry was, to some extent, able to satisfy local mortgage financing needs. Meanwhile the buildup of liquidity positions undertaken prior to April 1979 enabled savings banks to meet the severe liquidity strains brought on by the 1979-1980 disintermediation period.

Among the principal industry mortgage lending trends were the following:

• Gross mortgage acquisitions amounted to $14.3 billion in 1979, about 16% below the previous year. And mortgage lending continued weak during the early months of 1980 as a result of deepening disintermediation and reduced consumer demands.

• Net additions to mortgage portfolios totaled $3.9 billion in 1979, compared to $6.3 billion a year earlier.

• Net purchases of mortgage backed securities increased from $1.6 billion in 1978 to $1.8 billion in 1979, continued close to previous year levels during the January-June 1980 period.

• Combined net acquisitions of direct mortgage and mortgage related investments accounted for more than twice the 1979 increase in deposits, including interest.

In their securities activity, savings banks reduced portfolios of all major types of obligations. Holdings of U.S. government and federal agencies were reduced by $649 million, corporate bond portfolios by $839 million and state and municipal securities by $623 million.

As for liquidity, savings banks entered the 1979-1980 disintermediation period with strong short-term asset positions built up during late 1978 and early 1979. Savings bank holdings of cash and investments maturing within one year (less borrowings and mortgage warehousing) totaled $9.6 billion at the end of March 1979, representing 6.6% of deposits. By April 30, 1980, net liquidity positions amounted to 4.0% of savings bank deposits. Although down significantly from the start of the period, the industry's net liquidity position was still higher than at the close of the 1973-1974 disintermediation period. Furthermore, with deposit flows beginning to recover, the industry began to strengthen liquidity positions significantly in the second and third quarters of 1980.

Earnings Trends

For the first time in five years, net income of mutual savings banks declined in 1979, primarily as a result of sharply rising deposit interest costs. Retained earnings as a percentage of assets fell substantially from .58% in 1978 to .46% in 1979. Moreover, preliminary evidence suggests that the industry's earnings position deteriorated further in 1980 as a large volume of MMCs acquired or renewed at extremely high rates early in the year remained on savings bank books in the second and third quarters.

Over the same period, savings bank reserve positions strengthened somewhat, due to sharply reduced deposit growth. The industry's ratio of general reserve accounts to deposits rose from 7.6% in 1978 to 7.9% in 1979. And during the first six months of this year, reserve positions remained essentially unchanged at year-end 1979 levels.

Restoring liquidity positions is expected to remain a high priority consideration at many savings banks in the remainder of 1980. Despite the yield advantage of long-term investments, a cautious industry attitude toward such instruments is likely to persist in the wake of the worst disintermediation period on record and continued uncertainties regarding future deposit and interest rate trends.

I—Financial Structure and Organization of Mutual Savings Banks

Throughout their history, mutual savings banks have stimulated and protected the savings of millions of individuals, and channeled these savings into productive investments. At the end of 1979, there were 463 mutual savings banks in the United States with total assets amounting to $163 billion (Tables 2 and 5). Further growth in the first half of 1980 brought savings bank resources to $167 billion.

Pattern of Investments and Liabilities

Although not originally established as mortgage lending institutions, savings banks have channeled depositors' funds mainly into long-term mortgage investments. At the end of 1979, mortgage loans and mortgage-backed securities represented two-thirds of total assets. The next largest category, corporate bonds, accounted for 10% of assets, and other types of securities, 12% (Table 3).

Total assets of mutual savings banks have expanded rapidly in recent decades but this growth has varied for different types of instruments. Thus, holdings of mortgage investments, including mortgage-backed securities, increased from $8 billion to $111 billion from 1950 to 1979, while security portfolios rose from $13 billion to $36 billion.

The composition of savings bank liabilities, on the other hand, has changed little with deposits continuing to be the main type of liability. These deposits are insured, in most instances, by the Federal Deposit Insurance Corporation, and in the case of Massachusetts savings banks, by the Mutual Savings Central Fund, Inc. (Tables 1 and 2). Moreover, 97 savings banks were members of the Federal Home Loan Bank System at the end of 1979.

Mutual savings banks, as the name implies, have no capital stock and have not generally made extensive use of borrowing for liquidity purposes or asset expansion. Although, in recent years, some savings banks have issued subordinated debentures, this type of financing all but dried up in the high interest rate environment of 1979. Nevertheless, at year end, 42 savings banks in 12 states still had $385 million in subordinated debt outstanding (Table 2).

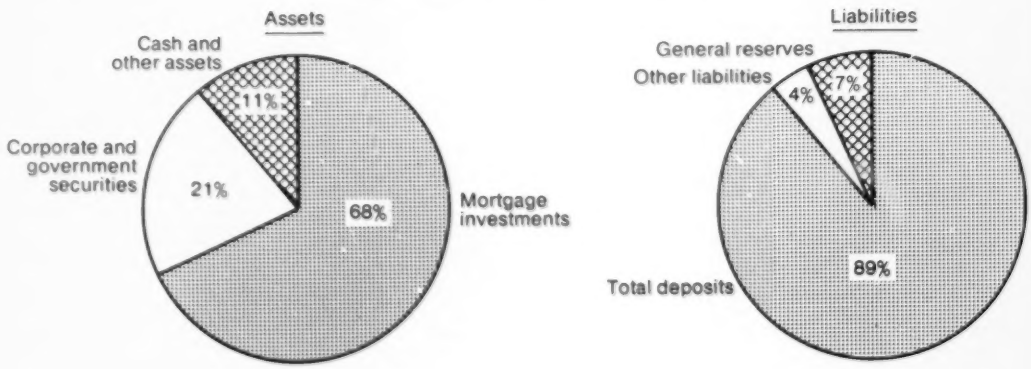
Size and Geographic Distribution

Most savings banks are located in the Middle Atlantic and New England regions with nearly seven-eighths of the total number in the states of Massachusetts, New York, Connecticut, Maine and New Hampshire. Although Massachusetts had the greatest number of banks at the end of 1979, over half of total savings bank assets were concentrated in New York State. The confinement of savings banks mainly to the Northeastern section of the nation is largely due to legal restrictions which prevent geographic extension of the industry.

As of the end of 1979, there were 3,338 savings bank offices, including 2,875 branches. Nearly all savings banks have one or more branch offices.

Of particular significance for savings banks was the recent enactment of (1) the Financial Institutions Regulatory and Interest Rate Control Act of 1978, and (2) the Depository Institutions Deregulation and Monetary Control Act of 1980. Title XII of the former grants savings banks the option to convert to federally chartered savings banks in the states where they now operate, while the 1980 legislation grants federally chartered savings banks broader lending and branching powers. To date, several mutual savings banks have applied for federal charters and a number of others are actively considering this option.

Percentage Distribution of Assets and Liabilities of Mutual Savings Banks, March 31, 1980



NOTE: Mortgage investments include mortgage-backed securities.

Table 1

Assets and Liabilities of Mutual Savings Banks, Selected Years, 1900-1979

(in millions of dollars)

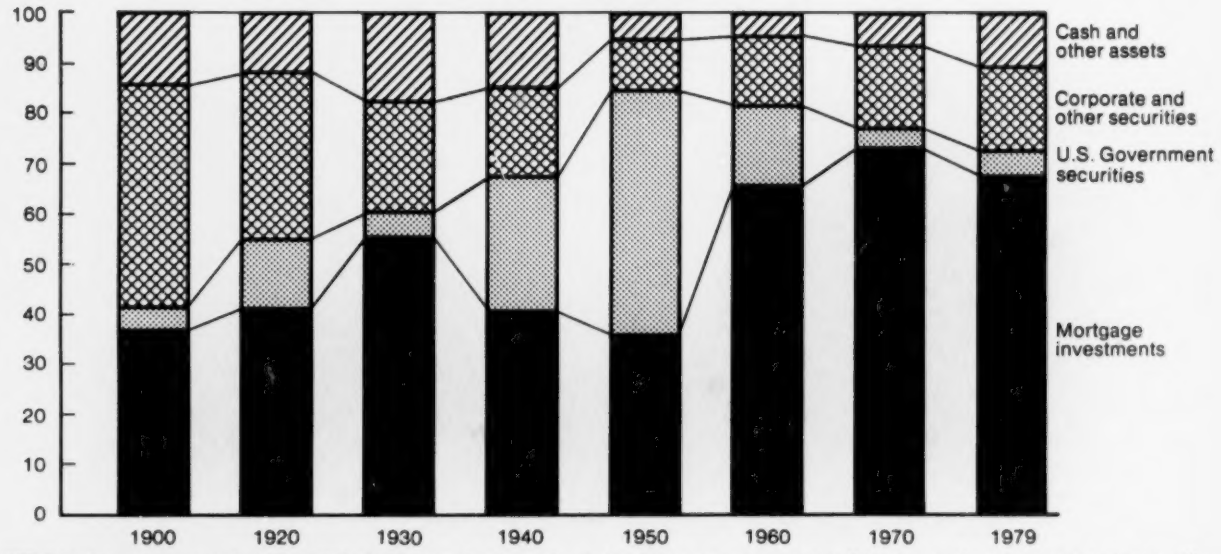
Year	Mortgage investments		Securities			Non-mortgage loans	Cash and other assets	Total assets—total liabilities and general reserve accounts	Deposits	Other liabilities	General reserve accounts
	Mortgage	GNMA mortgage-backed	U S Government	State and local	Corporate and other						
1900	858	—	105	567	462	169	167	2,328	2,129	2	197
1910	1,500	—	13	765	906	194	220	3,598	3,306	2	290
1920	2,291	—	783	650	1,213	336	313	5,586	5,157	9	420
1930	5,635	—	499	920	2,278	312	520	10,164	9,099	12	1,053
1940	4,836	—	3,193	612	1,429	82	1,764	11,916	10,598	32	1,286
1945	4,202	—	10,650	84	1,116	62	849	16,962	15,332	48	1,582
1950	8,039	—	10,877	96	2,260	127	1,047	22,446	20,025	137	2,283
1955	17,279	—	8,463	646	3,364	211	1,382	31,346	28,182	310	2,854
1960	26,702	—	6,243	672	5,076	416	1,463	40,571	36,343	678	3,550
1965	44,433	—	5,485	320	5,170	862	1,962	58,232	52,443	1,124	4,665
1970	57,775	85	3,151	197	12,791	2,255	2,741	78,995	71,580	1,690	5,726
1971	61,984	755	3,268	390	17,275	2,810	3,099	89,581	81,440	1,810	6,331
1972	67,563	1,384	3,510	873	20,522	2,979	3,762	100,593	91,613	2,024	6,956
1973	73,231	1,861	2,958	926	19,521	3,871	4,282	106,650	96,496	2,566	7,589
1974	74,891	2,230	2,555	930	20,320	3,812	4,812	109,550	98,701	2,888	7,961
1975	77,221	3,367	4,740	1,545	24,626	4,023	5,535	121,056	109,873	2,755	8,428
1976	81,630	5,808	5,840	2,417	27,985	5,183	5,948	134,812	122,877	2,884	9,052
1977	88,195	8,331	5,895	2,828	29,587	6,210	6,240	147,287	134,017	3,292	9,978
1978	95,157	10,021	4,959	3,333	29,711	7,195	7,796	158,174	142,701	4,565	10,907
1979	98,908	11,820	7,658	2,930	25,267	9,253	7,568	163,405	146,006	5,873	11,525

NOTE: Beginning in 1979 federal agency obligations are included in U S. Government securities rather than in corporate and other securities. Therefore, in this table, these two categories are not comparable with previous years. Data are end-of-year except for 1900 and 1930 which are as of mid-year. Balance sheet data are net of valuation reserves except for the period from December 31, 1971 to March 31, 1979. Annual and monthly changes in balance sheet items shown in subsequent tables of the *National Fact Book* are strictly comparable for all periods, reflecting adjustments made to take accounts of the shifts in reporting procedures as well as for conversions of different types of institutions.

SOURCE: FRB, NAMSB and state banking departments.

Chart 1

Percentage Distribution of Assets of Mutual Savings Banks, Selected Years, 1900-1979



NOTE: End-of-year data except for 1900 to 1930 which are as of mid-year. Asset classifications are comparable to Table 1 except for corporate and other securities which include state and municipal obligations for all years shown and cash and other assets which include nonmortgage loans. Mortgage investments for 1979 include mortgage-backed securities. See note to Table 1.

SOURCE: FRB, NAMSB and state banking departments.

Table 2

Assets and Liabilities of Mutual Savings Banks, by States, December 31, 1979

(in millions of dollars)

Item	Total	New York	Mass	Conn	Pa	N.J.	Wash	Me	N.H.	R.I.	Md	All other states
ASSETS												
Cash and due from banks	3,156	1,083	438	269	327	592	65	70	69	40	83	120
U.S. Treasury and federal agency obligations	7,658	3,606	1,599	411	561	501	146	158	153	156	171	196
State and local obligations	2,930	1,847	68	165	685	93	4	8	6	4	5	45
Mortgage investments	110,729	57,997	15,695	10,517	7,687	6,341	3,522	1,880	1,863	1,256	1,045	2,926
Mortgage loans	98,908	50,265	14,377	10,181	6,799	5,267	3,426	1,804	1,767	1,190	1,024	2,810
Mortgage-backed securities	11,820	7,732	1,319	336	888	1,074	96	76	96	67	21	116
Corporate bonds	16,922	10,746	1,503	511	2,713	734	145	91	72	43	93	271
Other bonds, notes and debentures	3,584	2,359	497	242	295	97	16	13	16	17	10	21
Corporate stock	4,760	2,258	944	739	270	122	19	117	137	41	27	86
Other loans	9,253	3,746	1,638	1,201	631	472	445	248	266	132	247	227
Guaranteed education loans	1,274	735	157	142	91	94	7	16	11	10	5	6
Consumer installment loans	1,622	245	432	349	—	88	91	84	108	39	130	56
Home improvement loans	884	370	159	140	5	39	43	23	30	15	40	21
Federal funds	3,076	1,461	496	297	390	179	97	42	36	15	13	50
Passbook loans	1,340	559	315	176	40	64	27	41	42	31	10	34
All other loans	1,058	376	80	98	105	8	179	42	40	21	49	61
Bank premises owned	1,573	727	245	137	76	111	89	38	46	35	14	54
Other real estate	304	139	42	73	3	16	14	2	3	2	*	10
Other assets	2,535	1,484	213	198	217	116	85	25	24	38	78	57
TOTAL ASSETS	163,405	85,993	22,884	14,462	13,465	9,195	4,548	2,652	2,655	1,763	1,774	4,013
LIABILITIES												
Regular deposits	144,070	76,012	20,462	12,695	11,939	8,019	3,832	2,337	2,311	1,572	1,513	3,377
Savings	61,123	31,580	9,874	5,347	4,511	3,329	1,455	1,116	1,043	710	868	1,291
Time	82,947	44,432	10,588	7,349	7,428	4,690	2,378	1,222	1,268	862	645	2,085
School and club	199	86	22	14	46	15	1	2	3	3	2	5
Other deposits	1,737	925	23	142	173	290	28	20	2	1	55	77
Total deposits	146,006	77,022	20,508	12,851	12,159	8,324	3,862	2,360	2,316	1,576	1,570	3,458
Borrowings and mortgage warehousing	3,653	1,978	139	299	367	157	321	57	70	13	21	232
Other liabilities	2,220	1,163	398	186	127	127	51	24	36	27	32	50
TOTAL LIABILITIES	151,879	80,163	21,045	13,337	12,652	8,608	4,234	2,440	2,421	1,617	1,623	3,740
Capital notes and debentures	385	158	—	42	94	52	5	1	4	4	—	26
Other general reserves	11,141	5,672	1,839	1,084	719	536	310	212	230	142	151	247
TOTAL GENERAL RESERVE ACCOUNTS	11,525	5,830	1,839	1,125	813	587	314	212	234	146	151	273
TOTAL LIABILITIES AND GENERAL RESERVE ACCOUNTS	163,405	85,993	22,884	14,462	13,465	9,195	4,548	2,652	2,655	1,763	1,774	4,013
MEMORANDA												
Cash and investments:												
Maturing within one year	9,578	3,751	1,644	833	1,147	969	263	192	183	101	205	290
Maturing within five years	16,126	7,002	2,824	1,163	1,880	1,302	390	305	301	218	310	432
Total mortgage loans	99,675	50,774	14,455	10,235	6,867	5,283	3,428	1,806	1,773	1,198	1,039	2,817
Residential	83,081	41,754	12,296	8,987	5,402	4,592	2,856	1,544	1,502	958	960	2,231
FHA	13,816	10,241	1,166	287	866	693	107	81	66	55	80	172
VA	11,390	6,966	1,476	293	1,185	681	79	273	155	56	121	103
Conventional	57,875	24,546	9,654	8,408	3,350	3,218	2,669	1,189	1,280	846	759	1,956
Nonresidental	16,549	9,013	2,148	1,241	1,465	691	571	261	269	240	79	571
Farm	45	9	11	6	*	*	1	1	2	—	—	15
Total corporate stock	4,760	2,258	945	739	270	122	19	117	137	41	27	86
Preferred	1,823	1,301	102	111	93	79	11	26	16	3	24	56
Common	2,937	956	843	627	176	43	8	91	121	38	3	30
Number of banks	463	112	163	65	9	20	10	29	26	6	3	20

*Less than $500,000.

NOTE: Data for cash and investments maturing within one year and five years include cash, federal funds, securities and open market paper. Consumer installment loan data for New York include checking overdrafts and other loans. Breakdown of mortgage loans shown in memoranda item are gross of valuation reserves. See note to Table 1.

SOURCE: NAMSB.

Table 3

Percentage Distribution of Assets and Liabilities of Mutual Savings Banks, by States, December 31, 1979

Item	Total	New York	Mass	Conn	Pa	N.J.	Wash	Me	N.H.	R.I.	Md.	All other states
ASSETS												
Cash and due from banks	1.9	1.3	1.9	1.9	2.4	6.4	1.4	2.6	2.6	2.3	4.7	3.0
U.S. Treasury and federal agency obligations	4.7	4.2	7.0	2.8	4.2	5.5	3.2	6.0	5.8	8.8	9.6	4.9
State and local obligations	1.8	2.1	.3	1.1	5.1	1.0	1	.3	2	2	.3	1.1
Mortgage investments	67.8	67.5	68.6	72.7	57.1	69.0	77.4	70.9	70.2	71.3	58.9	72.9
Mortgage loans	60.5	58.5	62.8	70.4	50.5	57.3	75.3	68.0	66.6	67.5	57.7	70.0
Mortgage-backed securities	7.2	9.0	5.8	2.3	6.6	11.7	2.1	2.9	3.6	3.8	1.2	2.9
Corporate bonds	10.4	12.5	6.6	3.5	20.1	8.0	3.2	3.4	2.7	2.4	5.3	6.8
Other bonds, notes and debentures	2.2	2.7	2.2	1.7	2.2	1.1	4	.5	.6	1.0	.6	.5
Corporate stock	2.9	2.6	4.1	5.1	2.0	1.3	4	4.4	5.1	2.3	1.5	2.1
Other loans	5.7	4.4	7.2	8.3	4.7	5.1	9.8	9.3	10.0	7.5	13.9	5.7
Guaranteed education loans	.8	.9	.7	1.0	.7	1.0	1	.6	.4	.6	.3	.2
Consumer installment loans	1.0	.3	1.9	2.4	—	1.0	2.0	3.2	4.1	2.2	7.3	1.4
Home improvement loans	.5	.4	.7	1.0	*	.4	1.0	.9	1.1	.9	2.3	.5
Federal funds	1.9	1.7	2.2	2.1	2.9	1.9	2.1	1.6	1.4	.8	.7	1.2
Passbook loans	.8	.7	1.4	1.2	.3	.7	.6	1.6	1.6	1.8	.6	.9
All other loans	.6	.4	.3	.6	.8	.1	4.0	1.4	1.4	1.2	2.7	1.5
Bank premises owned	1.0	.8	1.1	.9	.6	1.2	1.9	1.4	1.7	2.0	.8	1.4
Other real estate	.2	.2	.2	.5	*	.2	.3	.1	.1	*	*	.2
Other assets	1.6	1.7	.9	1.4	1.6	1.3	1.9	1.0	.9	2.1	4.4	1.4
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
LIABILITIES												
Regular deposits	88.2	88.4	89.4	87.8	88.7	87.2	84.3	88.1	87.0	89.2	85.3	84.2
Savings	37.4	36.7	43.2	37.0	33.5	36.2	32.0	42.1	39.3	40.3	48.9	32.2
Time	50.8	51.7	46.3	50.8	55.2	51.0	52.3	46.1	47.8	48.9	36.4	52.0
School and club	.1	.1	.1	.1	.3	.2	*	.1	.1	.2	.1	.1
Other deposits	1.1	1.1	.1	1.0	1.3	3.2	.6	.7	.1	.1	3.1	1.9
Total deposits	89.4	89.6	89.6	88.9	90.3	90.5	84.9	89.0	87.2	89.4	88.5	86.2
Borrowings and mortgage warehousing	2.2	2.3	.6	2.1	2.7	1.7	7.1	2.1	2.6	.7	1.2	5.8
Other liabilities	1.4	1.4	1.7	1.3	.9	1.4	1.1	.9	1.4	1.6	1.8	1.2
TOTAL LIABILITIES	92.9	93.3	91.9	92.3	93.9	93.6	93.1	92.0	91.2	91.7	91.5	93.2
Capital notes and debentures	.2	.2	—	.3	.7	.6	.1	*	.2	.2	—	.7
Other general reserves	6.8	6.6	8.0	7.5	5.3	5.8	6.8	8.0	8.7	8.0	8.5	6.1
TOTAL GENERAL RESERVE ACCOUNTS	7.1	6.8	8.0	7.8	6.0	6.4	6.9	8.0	8.8	8.3	8.5	6.8
TOTAL LIABILITIES AND GENERAL RESERVE ACCOUNTS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
MEMORANDA												
Cash and investments:						(Per cent of total assets)						
Maturing within one year	5.9	4.4	7.2	5.8	8.5	10.5	5.8	7.2	6.9	7.2	11.6	7.2
Maturing within five years	9.9	8.1	12.3	8.0	14.0	14.2	10.8	11.5	11.3	13.9	17.5	10.8
						(Percentage distribution)						
Total mortgage loans	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Residential	83.4	82.2	85.1	87.8	78.7	86.9	83.3	85.5	84.7	80.0	92.4	79.2
FHA	13.9	20.2	8.1	2.8	12.6	13.1	3.1	4.5	3.7	4.6	7.7	6.1
VA	11.4	13.7	10.2	2.9	17.3	12.9	2.3	15.1	8.8	4.7	11.6	3.7
Conventional	58.1	48.3	66.8	82.1	48.8	60.9	77.9	65.9	72.2	70.6	73.0	69.4
Nonresidential	16.6	17.8	14.9	12.1	21.3	13.1	16.7	14.5	15.2	20.0	7.6	20.3
Farm	*	*	.1	.1	*	*	*	.1	.1	—	—	.5
Total corporate stock	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Preferred	38.3	57.6	10.8	15.1	34.6	64.6	58.2	22.4	11.8	7.9	87.8	65.1
Common	61.7	42.4	89.2	84.9	65.4	35.4	41.8	77.6	88.2	92.1	12.2	34.9

*Less than .05%.
NOTE: See notes to Tables 1 and 2.
SOURCE: NAMSB.

Table 4

Percentage Distribution of Assets and Liabilities of Mutual Savings Banks, by Size, December 31, 1979

Item	Total	Deposit size (in millions of dollars)							
		Less than 25 0	25 0 to 49 9	50 0 to 99 9	100 0 to 249 9	250 0 to 499 9	500 0 to 999 9	1 000 0 to 1 999 9	2 000 0 or more
ASSETS									
Cash and due from banks	1 9	2 9	2 4	2 2	2 1	2 2	1 7	1 4	2 2
U S Treasury and Federal agency securities	4 7	6 4	6 7	6 3	5 2	5 0	5 0	3 3	4 7
State and local securities	1 8	6	5	5	9	8	1 5	1 7	3 6
Mortgage investments	67 8	66 2	66 9	69 0	70 9	72 0	69 3	71 2	59 0
Mortgage loans	60 5	63 1	64 6	65 0	66 1	63 6	61 2	61 7	52 5
GNMA mortgage-backed	7 2	3 1	2 3	4 0	4 8	8 4	8 1	9 4	6 5
Corporate bonds	10 4	5 7	6 0	5 6	6 0	6 1	9 6	10 1	17 6
Other bonds, notes and debentures	2 2	2 7	1 4	1 5	1 8	1 7	1 7	2 1	3 3
Corporate stock	2 9	3 2	4 2	3 9	3 8	2 9	2 9	2 2	2 8
Other loans	5 7	9 4	9 8	8 6	6 8	6 7	5 4	5 1	4 2
Guaranteed education loans	8	4	5	8	8	9	8	8	7
Consumer installment loans	1 0	3 4	3 0	2 5	1 7	1 2	8	6	5
Home improvement loans	5	6	1 1	9	8	8	6	4	3
Federal funds	1 9	2 8	3 1	2 5	2 0	2 4	1 7	1 5	1 8
Passbook loans	8	1 7	1 6	1 4	1 2	1 0	7	6	6
All other loans	6	4	6	5	3	4	7	1 2	4
Bank premises owned	1 0	1 0	1 4	1 3	1 1	1 0	1 0	9	8
Other real estate	2	1	1	2	2	2	2	2	2
Other assets	1 6	1 9	7	9	1 2	1 3	1 7	1 8	1 7
TOTAL ASSETS	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0
LIABILITIES									
Regular deposits	88 2	88 9	89 3	89 3	88 8	88 7	88 1	87 5	87 8
Savings	37 4	47 1	45 3	41 9	40 7	38 4	40 0	35 6	32 9
Time	50 8	41 9	44 0	47 4	48 2	50 3	48 1	51 9	55 0
School and club	1	1	1	1	1	1	2	1	1
Other deposits	1 1	1 1	6	7	6	9	1 1	1 3	1 2
Total deposits	89 4	90 2	90 0	90 1	89 6	89 7	89 4	88 8	89 2
Borrowings and mortgage warehousing	2 2	—	4	5	1 3	1 6	1 8	3 1	3 2
Other liabilities	1 4	1 4	1 3	1 5	1 6	1 4	1 5	1 3	1 2
TOTAL LIABILITIES	92 9	91 6	91 7	92 0	92 5	92 8	92 7	93 2	93 6
Capital notes and debentures	2	2	1	1	*	1	2	3	4
Other general reserves	6 8	8 2	8 2	7 9	7 5	7 1	7 1	6 5	6 0
TOTAL GENERAL RESERVE ACCOUNTS	7 1	8 4	8 3	8 0	7 5	7 2	7 3	6 8	6 4
TOTAL LIABILITIES and GENERAL RESERVE ACCOUNTS	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0
MEMORANDA									
Cash and investments				(Per cent of total assets)					
Maturing within one year	5 9	9 0	8 3	7 5	6 7	6 8	5 4	4 6	5 8
Maturing within five years	9 9	13 4	14 1	12 6	10 9	10 0	9 5	7 5	10 7
				(Percentage distribution)					
Total mortgage loans	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0
Residential	83 4	93 5	91 7	89 1	87 3	86 8	84 2	84 2	73 9
FHA	13 9	2 1	1 6	3 5	4 9	10 4	16 7	20 6	16 9
VA	11 4	3 6	3 3	5 9	6 7	9 9	12 0	15 1	13 7
Conventional	58 1	87 8	86 8	79 6	75 7	66 6	55 5	48 5	43 4
Nonresidential	16 6	6 0	8 1	10 7	12 6	13 2	15 8	15 8	26 1
Farm	*	5	2	2	1	*	*	*	*
Total corporate stock	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0
Preferred	38 3	16 6	18 5	16 5	20 6	27 0	45 3	50 3	53 9
Common	61 7	83 4	81 5	83 5	79 4	73 0	54 7	49 7	46 1
				(Actual number)					
Number of banks	463	26	57	127	130	51	39	22	11

*Less than .05%
NOTE See notes to Tables 1 and 2
SOURCE NAMSB

Table 5

Number of Offices of Selected Types of Financial Institutions in Mutual Savings Bank States, December 31, 1979

State	Mutual savings banks			Commercial banks			Savings and loan associations		
	Banks	Branches	Total offices	Banks	Branches	Total offices	Assns	Branches	Total offices
Massachusetts	163	474	637	149	936	1,085	162	212	374
New York	112	1,155	1,267	302	3,389	3,691	122	529	651
Connecticut	65	329	394	65	593	658	38	137	175
Maine	29	92	121	41	299	340	20	25	45
New Hampshire	26	53	79	79	148	227	17	14	31
New Jersey	20	182	202	176	1,554	1,730	217	664	881
Washington	10	183	193	110	884	994	48	316	364
Pennsylvania	9	201	210	378	2,479	2,857	387	705	1,092
Rhode Island	6	69	75	17	231	248	6	24	30
Vermont	6	27	33	30	159	189	7	5	12
Indiana	4	3	7	406	1,082	1,488	163	210	373
Maryland	3	62	65	102	905	1,007	204	350	554
Wisconsin	3	—	3	636	500	1,136	114	407	521
Alaska	2	3	5	12	109	121	5	14	19
Delaware	2	24	26	20	147	167	18	11	29
Oregon	2	17	19	80	551	631	31	292	323
Minnesota	1	1	2	762	227	989	57	223	280
TOTAL	463	2,875	3,338	3,365	14,193	17,558	1,616	4,138	5,754

NOTE: Figures for commercial banks include stock savings banks and non-deposit trust companies.
SOURCE: FDIC and USLSA.

Table 6

Distribution of Mutual Savings Banks According to Size, by States, December 31, 1979

State	Total number of savings banks	Deposits (in millions of dollars)					
		Less than 50.0	50.0 to 99.9	100.0 to 249.9	250.0 to 499.9	500.0 to 999.9	1,000.0 and over
Massachusetts	163	45	49	52	13	4	—
New York	112	3	16	31	16	23	23
Connecticut	65	8	26	19	7	3	2
Maine	29	12	11	5	1	—	—
New Hampshire	26	7	13	4	2	—	—
New Jersey	20	2	2	5	6	3	2
Washington	10	—	2	4	2	1	1
Pennsylvania	9	1	1	2	—	—	5
Rhode Island	6	—	1	2	2	1	—
Vermont	6	1	2	2	1	—	—
Indiana	4	1	3	—	—	—	—
Maryland	3	—	—	1	—	2	—
Wisconsin	3	3	—	—	—	—	—
Alaska	2	—	1	1	—	—	—
Delaware	2	—	—	1	—	1	—
Oregon	2	—	—	1	1	—	—
Minnesota	1	—	—	—	—	1	—
TOTAL	463	83	127	130	51	39	33

SOURCE: NAMSB.

Table 7

Mutual Savings Bank Membership in FDIC, State Deposit Insurance Funds, and Federal Home Loan Bank System, Selected Year-End Dates, 1945-1979

End of year	Total number of savings banks	Insured			Non-insured	Members of FHLB system
		Total	by FDIC	by state funds		
	(Number of savings banks)					
1945	532	446	192	254	86	25
1950	529	447	194	253	82	29
1960	515	502	325	185	13	19
1970	494	493	329	172	1	46
1975	476	475	329	166	1	68
1976	473	473	331	166	—	76
1977	467	467	323	166	—	73
1978	465	465	325	163	—	85
1979	463	463	324	163	—	97
	(Per cent of savings banks)					
1945	100.0	83.8	36.1	47.7	16.2	4.7
1950	100.0	84.5	36.7	47.8	15.5	5.5
1960	100.0	97.5	63.1	35.9	2.5	3.7
1970	100.0	99.8	66.6	34.8	.2	9.3
1975	100.0	99.8	69.1	34.9	.2	14.3
1976	100.0	100.0	70.0	35.1	—	16.1
1977	100.0	100.0	69.2	35.5	—	15.6
1978	100.0	100.0	69.9	35.1	—	18.3
1979	100.0	100.0	70.0	35.2	—	21.0

NOTE: Beginning in 1960 data on insured savings banks do not add to total, reflecting Massachusetts savings banks which are insured by both FDIC and by the Mutual Savings Central Fund, Inc. Prior to 1960, data on membership in the FHLB system include a very small number of stock and guaranty savings banks.
SOURCE: FDIC, FHLBB and NAMSB.

Table 8
One Hundred Largest Mutual Savings Banks, Ranked by Deposits, December 31, 1979

Bank	Deposits (in thousands of dollars)
Philadelphia Saving Fund Society, Pa	5,898,704
Bowery Savings Bank, New York City	4,654,879
Dime Savings Bank of New York, N.Y.	4,348,457
New York Bank for Savings, N.Y.	3,187,973
Emigrant Savings Bank, New York City	3,011,079
Dollar Savings Bank, New York City	2,476,496
Howard Savings Bank, Newark, N.J.	2,410,246
Buffalo Savings Bank, N.Y.	2,289,064
Manhattan Savings Bank, New York City	2,136,619
Western Saving Fund Society, Philadelphia, Pa.	2,133,754
Dry Dock Savings Bank, New York City	2,128,658
Williamsburgh Savings Bank, New York City	1,974,061
Erie Savings Bank, Buffalo, N.Y.	1,876,265
Greenwich Savings Bank, New York City	1,868,669
Washington Mutual Savings Bank, Seattle	1,853,098
Lincoln Savings Bank, New York City	1,850,401
People's Savings Bank—Bridgeport, Conn.	1,728,250
Metropolitan Savings Bank, New York City	1,723,185
Seamen's Bank for Savings, New York City	1,597,313
Greater New York Savings Bank, New York City	1,579,362
Anchor Savings Bank, New York City	1,494,680
East River Savings Bank, New York City	1,485,117
Beneficial Mutual Savings Bank, Philadelphia, Pa.	1,436,316
Society for Savings, Hartford, Conn.	1,408,737
Franklin Savings Bank, New York City	1,401,920
Brooklyn Savings Bank, New York City	1,367,561
Jamaica Savings Bank, New York City	1,330,382
Germantown Savings Bank, Philadelphia, Pa.	1,170,601
Union Dime Savings Bank, New York City	1,148,984
Albany Savings Bank, N.Y.	1,145,186
Dollar Savings Bank, Pittsburgh, Pa.	1,108,900
Community Savings Bank, Rochester, N.Y.	1,082,754
Hudson City Savings Bank, Jersey City, N.J.	1,047,424
Schenectady Savings Bank, N.Y.	996,181
Green Point Savings Bank, New York City	989,296
Long Island Savings Bank, New York City	981,505
Independence Savings Bank, New York City	937,027
Ridgewood Savings Bank, New York City	920,306
Provident Institution for Savings, Boston, Mass.	902,573
East New York Savings Bank, New York City	887,920
Western New York Savings Bank, Buffalo	874,424
Boston Five Cents Savings Bank, Mass.	869,380
Savings Bank of Baltimore, Md.	856,052
Farmers and Mechanics Savings Bank, Minneapolis, Minn.	851,714
United Mutual Savings Bank, N.Y.	792,071
Rochester Savings Bank, N.Y.	791,991
Onondaga Savings Bank, Syracuse, N.Y.	791,524
Peoples Westchester Savings Bank, Tarrytown, N.Y.	786,352
Central Savings Bank, New York City	783,754
Eastern Savings Bank, New York City	740,381
Harlem Savings Bank, New York City	740,367
Syracuse Savings Bank, N.Y.	735,900
Charlestown Savings Bank, Boston, Mass.	721,661
New Haven Savings Bank, Conn.	707,293
Roosevelt Savings Bank, New York City	695,934
Connecticut Savings Bank, New Haven	692,685
Wilmington Savings Fund Society, Del.	683,148
Queens County Savings Bank, New York City	668,780
Hamburg Savings Bank, New York City	664,938
Empire Savings Bank, New York City	663,937
Morris County Savings Bank, Morristown, N.J.	645,882
Provident Savings Bank, Jersey City, N.J.	623,384
Richmond Hill Savings Bank, New York City	611,651
Suffolk Franklin Savings Bank, Boston, Mass.	575,281
Citizens Savings Bank, Providence, R.I.	571,547
Provident Savings Bank, Baltimore, Md.	560,634
Fidelity Mutual Savings Bank, Spokane, Wash.	552,092
Roslyn Savings Bank, N.Y.	548,968
The Banking Center, Waterbury, Conn.	536,643
North Side Savings Bank, New York City	509,177
Binghamton Savings Bank, N.Y.	504,435
United States Savings Bank of Newark, N.J.	502,226
Dime Savings Bank of Williamsburgh, New York City	494,666
Mutual Bank For Savings, Newton, Mass.	483,233
Springfield Institution for Savings, Mass.	463,916
Staten Island Savings Bank, New York City	462,981
Savings Bank of Utica, N.Y.	459,463
Poughkeepsie Savings Bank, N.Y.	447,792
American Savings Bank, New York City	445,940
Mechanics and Farmers Savings Bank, Bridgeport, Conn.	443,370
Monroe Savings Bank, Rochester, N.Y.	439,165
Worcester County Institution for Savings, Mass.	435,050
Orange Savings Bank, N.J.	426,319
Bloomfield Savings Bank, N.J.	425,404
Permanent Savings Bank, Niagara Falls, N.Y.	416,559
Maine Savings Bank, Portland	412,626
American Savings Bank, New Britain, Conn.	405,842
South Boston Savings Bank, Mass.	405,587
Lincoln Mutual Savings Bank, Spokane, Wash.	399,512
Eastchester Savings Bank, Mount Vernon, N.Y.	398,705
Home Savings Bank, White Plains, N.Y.	393,417
Amoskeag Savings Bank, Manchester, N.H.	388,519
Union Warren Savings Bank, Boston, Mass.	385,797
Mechanics Savings Bank, Hartford, Conn.	376,143
Home Savings Bank, Boston, Mass.	369,916
New Brunswick Savings Bank, N.J.	366,484
Perth Amboy Savings Institution, N.J.	358,758
Cambridge Savings Bank, Mass.	351,824
Burlington Savings Bank, Vt.	346,299
Peoples Savings Bank, Worcester, Mass.	335,610
Total deposits, one hundred largest	107,363,006
Total deposits, all mutual savings banks	146,006,421

SOURCE: NAMSB.

II—Deposits and General Reserve Accounts of Mutual Savings Banks

Deposits in the nation's savings banks, representing savings accumulated by individuals in 36 million accounts, totaled $146 billion, including interest, at the end of 1979. Excluding interest, savings banks sustained an unprecedented deposit drain of record and near record monthly outflows totaling $7 billion during 1979 and $3.7 billion in the first four months of 1980. Massive outflows were finally stemmed in May and June, 1980 when interest rates declined rapidly amid growing evidence of a severe economic slowdown.

The 1979-1980 deterioration in deposit flows at savings banks reflected the industry's vulnerability to soaring interest rates. Reflecting Federal Reserve credit tightening measures and severe inflationary pressures, interest rates surged repeatedly to record highs before dropping substantially in the second quarter of 1980. As a result, yields on competing investments rose sharply on shares of money market mutual funds and U.S. Treasury obligations, drawing massive amounts of funds away from savings banks. In addition, competition from commercial banks was increased by federal regulatory changes in March 1979 and May 1980 which significantly narrowed the ceiling rate differential on six-month CDs between thrift institutions and commercial banks. Substantially slackened growth in six-month money market certificates at savings banks followed the federal move in 1979 and the commercial bank share of total MMC gains rose significantly.

Changes in savings bank deposits partly reflect divergent growth rates in various deposit components. One of the most significant shifts within recent years has been the growing importance of higher yield time accounts in the industry's deposit structure at the expense of regular passbook savings accounts. Dollar balances in time accounts, for example, have quadrupled from 17% of total savings and time deposits at the end of 1970 to 62% at the end of June 1980. Passbook savings accounts, on the other hand, shrank by $11 billion in 1979 alone, partly reflecting internal transfers to six-month money market accounts.

The latter instrument, since its introduction on June 1, 1978, has contributed significantly to this shift and the new 30-month certificate, authorized on January 1, 1980, has also had an important influence more recently. By the end of June, 1980, outstanding balances in six-month money market certificates totaled $45 billion or about 30% of deposits and accounted for about one-half of total time deposits outstanding. The 30-month CDs, after only six months, totaled $7 billion in deposits or 5% of total outstandings.

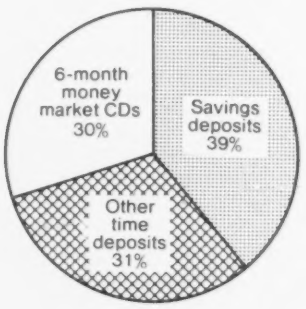
In addition to market-linked time accounts, a growing influence on savings bank deposit activity in recent years has been the introduction and expansion of new deposit services including: (1) various types of third-party payment plans such as interest-bearing and non-interest-bearing NOW accounts, checking accounts and telephone transfer services; (2) tax-sheltered retirement savings programs such as IRA and Keogh accounts; and (3) direct deposit arrangements for Social Security and related disbursements (Tables 23-27). As of June 30, 1980, most of the nation's savings banks were authorized to offer these services.

Protective Reserves

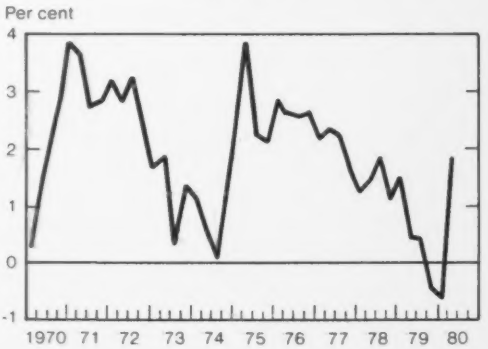
Mutual savings banks have provided protection against loss by maintaining strong reserve positions. However, the ratio of general reserve accounts to deposits has generally moved inversely to changes in deposit gains. The ratio has also been influenced by changes in the industry's earnings position (Table 32 and Chart 4). Partly reflecting sharply reduced deposit growth, the ratio of general reserve accounts to deposits of mutual savings banks increased from 7.6% at the end of 1978 to 7.9% at year-end 1979.

As indicated on page 9, a number of savings banks have also issued debentures subordinated to deposits to bolster protective reserve positions. This type of financing has frequently occurred in the face of intensified earnings pressures and in periods of accelerated deposit growth.

Percentage Distribution of Savings and Time Deposits in Mutual Savings Banks, March 31, 1980



Percentage Change in Savings and Time Deposits of Mutual Savings Banks, 1970-1980



NOTE Quarterly net deposit gains are seasonally adjusted and include interest.

Table 9

Total Deposits, Including Interest, in Mutual Savings Banks, by States, Selected Year-End Dates, 1945-1979

(in millions of dollars)

End of year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	Me.	N.H.	R.I.	Md.	All other states
1945	15,332	8,292	2,856	1,115	932	408	158	203	240	241	349	538
1950	20,025	11,662	3,312	1,335	1,076	599	200	238	278	268	402	655
1955	28,182	16,544	4,484	1,841	1,497	1,010	290	315	395	376	490	940
1960	36,343	21,436	5,793	2,516	2,090	1,347	382	415	543	506	561	753
1965	52,443	30,392	8,449	3,680	3,195	2,032	625	617	843	807	716	1,086
1966	55,006	32,104	8,694	3,830	3,240	2,164	699	657	888	851	735	1,144
1967	60,121	35,478	9,259	4,162	3,431	2,375	799	710	958	923	770	1,256
1968	64,507	38,031	9,809	4,487	3,547	2,547	1,109	769	1,038	1,020	808	1,344
1969	67,086	39,009	10,480	4,843	3,703	2,651	1,194	836	1,086	1,045	823	1,414
1970	71,580	40,921	11,271	5,313	4,242	3,043	1,283	924	1,037	1,111	882	1,547
1971	81,440	46,271	12,673	6,094	4,971	3,622	1,538	1,057	1,178	1,255	977	1,806
1972	91,613	51,718	14,072	6,880	5,802	4,239	1,801	1,201	1,340	1,420	1,047	2,092
1973	96,496	54,024	14,712	7,419	6,209	4,555	1,947	1,307	1,449	1,565	1,107	2,203
1974	98,701	55,130	14,991	7,797	6,615	4,777	2,144	1,397	1,478	1,035	1,006	2,330
1975	109,873	60,704	16,500	8,810	7,743	5,492	2,480	1,589	1,645	1,190	1,098	2,623
1976	122,877	67,308	17,989	10,043	9,101	6,251	3,180	1,792	1,824	1,313	1,192	2,885
1977	134,017	72,812	19,258	11,207	10,469	7,030	3,438	2,020	2,025	1,418	1,294	3,046
1978	142,701	76,948	20,161	12,265	11,317	7,741	3,637	2,191	2,198	1,496	1,398	3,350
1979	146,006	77,022	20,508	12,851	12,159	8,324	3,862	2,360	2,316	1,576	1,570	3,458

SOURCE: NAMSB.

Table 10

Net Gains in Total Deposits, Including Interest, in Mutual Savings Banks, by States, 1960-1979

(in millions of dollars)

End of year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	Me.	N.H.	R.I.	Md.	All other states
1960	1,366	721	274	130	90	32	10	17	36	37	4	27
1961	1,934	970	411	196	90	63	26	26	52	43	18	40
1962	3,059	1,591	485	240	256	165	56	44	61	63	27	71
1963	3,271	1,775	533	245	262	148	48	43	63	59	27	67
1964	4,243	2,567	645	255	269	146	51	44	62	72	37	96
1965	3,594	2,053	581	228	229	163	62	45	62	64	46	60
1966	2,563	1,712	246	149	45	132	74	40	45	44	19	57
1967	5,116	3,374	565	332	191	211	100	54	70	72	35	111
1968	4,207	2,552	550	325	115	172	130	59	80	97	33	88
1969	2,540	979	672	357	157	105	47	66	48	24	16	70
1970	4,531	1,851	790	470	500	392	94	88	88	66	59	133
1971	9,737	5,226	1,402	780	729	579	250	133	140	144	94	259
1972	10,107	5,363	1,399	786	832	617	263	144	162	165	83	293
1973	4,856	2,279	640	539	407	315	146	106	110	144	60	110
1974	2,954	1,082	279	378	407	222	197	90	54	90	27	128
1975	11,173	5,574	1,508	1,012	1,127	715	336	192	167	156	92	292
1976	12,602	6,524	1,490	1,233	1,358	760	358	202	199	122	94	262
1977	11,043	5,379	1,269	1,183	1,368	778	259	228	211	105	102	162
1978	7,943	3,574	902	1,057	848	690	198	171	173	79	104	146
1979	3,050	41	347	587	781	583	109	168	118	80	127	109

SOURCE: NAMSB.

Table 11

Percentage Increase in Total Deposits, Including Interest, in Mutual Savings Banks, by States, 1960-1979

Year	Total	New York	Mass	Conn	Pa	N.J.	Wash	Me	N.H.	R.I.	Md.	All other states
1960	3.9	3.5	5.0	5.4	4.5	2.4	2.6	4.4	7.1	7.8	7	3.7
1961	5.3	4.5	7.1	7.8	4.3	4.7	6.7	6.2	9.8	8.5	3.2	5.3
1962	8.0	7.1	7.8	8.9	11.7	11.7	13.8	10.0	10.2	11.5	4.7	8.9
1963	7.9	7.4	8.0	8.3	10.8	9.4	10.3	8.8	9.6	9.6	4.5	7.8
1964	9.5	10.0	8.9	8.0	10.0	8.5	10.0	8.4	8.6	10.7	5.8	10.3
1965	7.4	7.2	7.4	6.6	7.7	8.7	11.0	7.9	8.0	8.6	6.8	5.8
1966	4.9	5.6	2.9	4.1	1.4	6.5	11.9	6.4	5.3	5.4	2.7	5.2
1967	9.3	10.5	6.5	8.7	5.9	9.8	14.3	8.1	7.9	8.5	4.7	9.7
1968	7.0	7.2	5.9	7.8	3.4	7.2	13.3	8.3	8.3	10.5	5.0	7.0
1969	3.9	2.6	6.8	8.0	4.4	4.1	4.2	8.6	4.6	2.4	1.9	5.2
1970	6.8	4.7	7.5	9.7	13.5	14.8	7.8	10.6	8.1	6.3	7.2	9.4
1971	13.6	12.8	12.4	14.7	17.2	19.0	19.4	14.4	13.5	13.0	10.7	16.7
1972	12.4	11.6	11.0	12.9	16.7	17.0	17.1	13.6	13.7	13.2	8.5	16.2
1973	5.3	4.4	4.6	7.8	7.0	7.4	8.1	8.9	8.2	10.2	5.8	5.3
1974	3.1	2.0	1.9	5.1	6.6	4.9	10.1	6.9	3.8	9.5	2.4	5.8
1975	11.3	10.1	10.1	13.0	17.0	15.0	15.7	13.8	11.3	15.0	9.2	12.5
1976	11.5	10.7	9.0	14.0	17.5	13.8	13.2	12.7	12.1	10.3	8.5	10.0
1977	9.0	8.0	7.1	11.8	15.0	12.5	8.1	12.7	11.6	8.0	8.5	5.6
1978	5.9	4.9	4.7	9.4	8.1	9.8	5.8	8.5	8.5	5.6	8.0	4.8
1979	2.1	.1	1.7	4.8	6.9	7.5	3.0	7.7	5.4	5.3	9.1	3.2

SOURCE: NAMSB

Table 12

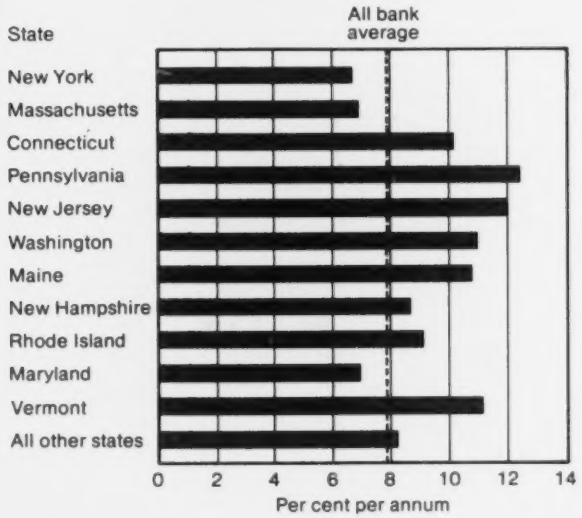
Percentage Change in Regular Deposits, Excluding Interest, in Mutual Savings Banks, by States, 1960-1979

Year	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	Me.	N.H.	R.I.	Md.	All other states
1960	.4	*	1.4	2.0	1.1	−.9	−.8	.7	3.9	4.5	−2.3	.4
1961	1.6	.8	3.3	4.0	.8	1.0	3.1	2.9	5.8	4.6	*	2.5
1962	3.9	2.9	3.6	4.8	7.8	8.0	9.8	6.3	6.3	7.8	1.2	5.6
1963	3.8	3.2	3.7	4.1	6.7	5.3	6.3	4.8	5.3	5.2	.5	4.8
1964	5.2	5.6	4.5	3.9	5.9	4.4	6.1	4.4	4.3	7.0	2.0	7.0
1965	3.1	2.9	3.1	2.6	3.7	4.6	6.7	3.7	3.4	4.6	2.4	2.6
1966	.4	1.0	−1.4	−.1	−2.6	2.5	6.3	2.7	.6	1.1	−1.3	1.8
1967	4.4	5.3	1.7	3.9	2.2	5.3	9.1	3.4	2.4	4.4	.7	5.5
1968	2.0	2.0	1.1	2.7	−.5	2.3	7.8	3.9	2.9	5.4	.3	2.0
1969	−1.1	−2.6	1.6	2.9	.3	−.6	−.9	3.5	−.6	−2.7	−2.4	.1
1970	1.4	−.4	1.7	4.4	8.4	8.7	2.8	5.2	2.1	.8	2.3	4.5
1971	8.0	7.3	6.5	9.2	11.9	12.6	13.6	9.0	7.1	7.9	5.0	11.5
1972	6.7	5.9	5.1	7.5	12.1	10.5	11.9	7.9	8.3	8.3	3.2	11.0
1973	−.5	−1.3	−1.5	2.1	1.4	1.5	2.6	3.2	1.9	4.4	−.4	*
1974	−2.9	−4.0	−4.1	−1.0	.3	−1.8	3.8	1.2	−2.6	3.5	−2.6	1.5
1975	4.8	3.7	3.6	6.7	10.9	7.5	8.8	7.3	5.6	9.0	3.4	5.7
1976	4.8	4.0	2.8	7.1	11.3	6.8	7.3	6.2	5.3	4.2	2.1	4.6
1977	2.4	1.3	.7	4.9	8.8	4.6	1.9	6.2	4.7	2.1	2.3	−.7
1978	−.4	−1.5	−1.5	2.9	2.0	3.2	−.8	2.1	2.3	−1.1	2.0	−2.0
1979	−4.9	−7.2	−4.6	−2.4	−.6	.3	−3.9	.8	−1.8	−.6	2.7	−3.2

*Less than .05%.
NOTE: Regular deposits include savings and time deposits. Data are based on amounts deposited less amounts withdrawn, excluding interest credited, in regular accounts. See note to Table 18.
SOURCE: NAMSB.

Chart 2

Average Annual Percentage Gains in Regular Deposits, Including Interest, in Mutual Savings Banks, by States, 1970-1979



NOTE: See note to Table 18.
SOURCE: NAMSB.

Table 13

Deposits in Mutual Savings Banks, by Type of Account, Selected Year-End Dates, 1930-1979

(in millions of dollars)

Year	Total	Regular		
		Total	Savings	Time
1930	9,465	n.a.	n.a.	n.a.
1940	10,618	10,584	n.a.	n.a.
1945	15,332	15,287	n.a.	n.a.
1950	20,025	19,893	n.a.	n.a.
1960	36,343	36,086	n.a.	n.a.
1970	71,580	71,157	59,345	11,812
1971	81,440	81,082	63,976	17,106
1972	91,613	91,214	68,238	22,976
1973	96,496	96,056	65,221	30,836
1974	98,701	98,221	64,286	33,935
1975	109,873	109,291	69,653	39,639
1976	122,877	121,961	74,535	47,426
1977	134,017	132,744	78,005	54,739
1978	142,701	141,170	71,816	69,354
1979	146,006	144,070	61,123	82,947

n.a.—not available or not applicable.
NOTE: See note to Table 18 for description of deposit categories. Total deposit data include "Other" deposits not shown separately.
SOURCE: NAMSB.

Table 14

Net Deposit Gains, Including Interest, in Mutual Savings Banks, by Type of Account, 1965-1979

(in millions of dollars)

Year	Total	Regular		
		Total	Savings	Time
1965	3,594	3,582	n.a.	n.a.
1966	2,563	2,557	n.a.	n.a.
1967	5,116	5,085	n.a.	n.a.
1968	4,207	4,200	n.a.	n.a.
1969	2,540	2,511	n.a.	n.a.
1970	4,531	4,515	n.a.	n.a.
1971	9,737	9,648	4,354	5,294
1972	10,107	10,067	4,208	5,859
1973	4,856	4,815	−3,041	7,857
1974	2,954	2,907	−440	3,347
1975	11,173	11,070	5,366	5,704
1976	12,602	12,269	4,663	7,605
1977	11,043	10,687	3,424	7,262
1978	7,943	7,697	−6,488	14,186
1979	3,050	2,659	−10,786	13,445

n.a.—not available.
NOTE: See note to Table 18 for description of deposit categories. Total deposit data include "Other" deposits not shown separately.
SOURCE: NAMSB.

Table 15

Number of Accounts in Mutual Savings Banks, by Type of Account, Year-End Dates, 1965-1979

(in thousands)

End of Year	Total	Regular		
		Total	Savings	Time
1965	22,326	18,045	n.a.	n.a.
1966	22,584	18,429	n.a.	n.a.
1967	22,941	18,855	n.a.	n.a.
1968	23,300	19,437	n.a.	n.a.
1969	23,648	19,901	n.a.	n.a.
1970	24,967	21,167	n.a.	n.a.
1971	25,748	22,279	19,678	2,601
1972	26,947	23,531	20,112	3,419
1973	28,333	25,025	20,292	4,733
1974	28,508	25,304	20,129	5,175
1975	29,712	26,284	20,407	5,877
1976	31,475	27,533	20,773	6,760
1977	33,302	28,825	21,308	7,517
1978	35,476	30,472	21,883	8,589
1979	36,410	31,250	21,929	9,321

n.a.—not available.
NOTE: See note to Table 18 for description of deposit categories. Total accounts data include "Other" accounts not shown separately.
SOURCE: NAMSB.

Deposits and General Reserve Accounts

Table 16

Average Size of Accounts in Mutual Savings Banks, Year-End Dates, 1965-1979

(in dollars)

Year	Total	Regular		
		Total	Savings	Time
1965	2,349	2,888	n.a.	n.a.
1966	2,436	2,966	n.a.	n.a.
1967	2,621	3,169	n.a.	n.a.
1968	2,769	3,299	n.a.	n.a.
1969	2,837	3,351	n.a.	n.a.
1970	2,867	3,362	n.a.	n.a.
1971	3,163	3,639	3,251	6,577
1972	3,400	3,876	3,393	6,719
1973	3,406	3,838	3,214	6,514
1974	3,462	3,882	3,194	6,557
1975	3,698	4,158	3,413	6,744
1976	3,904	4,430	3,588	7,015
1977	4,024	4,605	3,661	7,282
1978	4,022	4,633	3,282	8,075
1979	4,010	4,610	2,787	8,899

n.a.—not available
NOTE: See Table 18 for description of deposit and account categories. Total deposit data include "Other" deposits not shown separately.
SOURCE: NAMSB.

Table 17

Time Deposits as Per Cent of Total Savings and Time Deposits in Mutual Savings Banks, by States, Year-End Dates, 1975-1979

State	1975	1976	1977	1978	1979
New York	35.7	38.7	41.3	50.2	58.5
Massachusetts	36.7	38.8	40.3	45.0	51.7
Connecticut	34.9	38.4	40.7	48.9	57.9
Pennsylvania	39.1	41.8	45.1	53.0	62.2
New Jersey	38.2	39.8	41.1	48.9	58.5
Washington	38.4	39.7	41.4	50.2	62.0
Maine	28.2	30.6	34.2	41.0	52.3
New Hampshire	33.5	36.3	38.8	45.6	54.9
Rhode Island	46.2	47.9	47.9	45.0	54.8
Maryland	17.9	19.1	21.5	30.5	42.7
Vermont	40.9	42.9	47.5	54.9	62.7
All other states	47.2	45.7	45.1	53.5	61.5
TOTAL	36.3	38.9	41.2	49.1	57.6

NOTE: See note to Table 18.
SOURCE: NAMSB.

Table 18

Deposits, Number of Accounts and Average Size of Accounts in Mutual Savings Banks, by States, December 31, 1979

State	Deposits (in millions of dollars)					Number of accounts (in thousands)		Average size of accounts (in dollars)	
	Total	Regular deposits			Other	Total	Regular	Total	Regular
		Total	Savings	Time					
New York	77,022	76,012	31,580	44,432	1,010	17,185	14,588	4,482	5,211
Massachusetts	20,508	20,462	9,874	10,588	45	5,990	5,623	3,423	3,639
Connecticut	12,851	12,695	5,347	7,349	156	3,891	3,316	3,303	3,828
Pennsylvania	12,159	11,939	4,511	7,428	220	2,958	2,514	4,110	4,749
New Jersey	8,324	8,019	3,329	4,690	306	2,233	1,584	3,728	5,061
Washington	3,862	3,832	1,455	2,378	30	821	806	4,706	4,753
Maine	2,360	2,337	1,116	1,222	22	756	618	3,121	3,784
New Hampshire	2,316	2,311	1,043	1,268	5	688	635	3,366	3,641
Rhode Island	1,576	1,572	710	862	4	450	404	3,500	3,891
Maryland	1,570	1,513	868	645	57	508	406	3,090	3,728
Minnesota	852	843	314	529	9	198	176	4,306	4,783
Delaware	847	817	399	418	30	261	204	3,252	3,997
Vermont	794	780	291	489	14	257	195	3,092	3,989
Oregon	417	407	131	276	10	94	86	4,421	4,729
Indiana	241	223	72	151	18	70	48	3,447	4,637
Alaska	230	230	53	177	—	27	26	8,557	8,844
Wisconsin	78	77	31	46	1	24	20	3,294	3,824
TOTAL	146,006	144,070	61,123	82,947	1,936	36,410	31,250	4,010	4,610

NOTE: Regular deposits include savings and time deposits. Savings deposits refer to all ordinary passbook or statement type savings accounts and interest-bearing NOW accounts. Time deposits consist of certificates, special notice accounts, term and other time deposits. "Other" deposits include all school, club, checking, non interest-bearing NOW accounts and certain other accounts. Deposit data exclude mortgagors' escrow accounts.
SOURCE: NAMSB.

Table 19

Savings and Time Accounts in Selected Types of Financial Institutions, by Type of Accounts 1976-1979

End of Year	Amounts (in millions of dollars) Total	Savings	Time	Time as per cent of total
Mutual savings banks				
1976	121,961	74,535	47,426	38.9
1977	132,744	78,005	54,739	41.2
1978	141,170	71,816	69,354	49.1
1979	144,070	61,123	82,947	57.6
Savings and loan associations				
1976	328,214	132,407	195,806	59.7
1977	378,782	143,690	235,092	62.1
1978	422,194	134,762	287,433	68.1
1979	460,694	116,548	344,147	74.7
Commercial banks*				
1976	362,246	204,603	157,643	43.5
1977	387,340	218,539	168,801	43.6
1978	405,105	214,791	190,314	47.0
1979	437,304	197,766	239,538	54.8

*Commercial bank data are as of January 26, 1977, January 25, 1978, January 31, 1979 and January 30, 1980.
NOTE: Commercial bank data refer to ordinary passbook savings deposits and time deposits in denominations of less than $100,000 at insured institutions and exclude club accounts. Data for savings and loan associations refer to FSLIC-insured institutions.
SOURCE: FDIC, FHLBB, FRB and NAMSB.

Table 20

6-Month CD Growth in Mutual Savings Banks, Monthly, 1979-1980

(Amounts in billions of dollars)

	Net Change	Outstandings Amount (end of month)	Per cent of total savings and time deposits	6-Month CD ceiling rate* (in per cent)
1979— January	4.2	17.2	12.2	9.75
February	1.9	19.1	13.4	9.59
March	2.4	21.5	14.9	9.55
April	1.9	23.4	16.3	9.49
May	.5	23.9	16.7	9.53
June	.5	24.4	16.9	9.11
July	1.4	25.8	17.9	9.22
August	1.0	26.8	18.6	9.45
September	1.8	28.6	19.8	10.12
October	3.6	32.2	22.5	11.33
November	1.6	33.8	23.6	11.85
December	1.2	35.0	24.3	11.84
1980— January	2.0	37.0	25.8	11.85
February	2.1	39.1	27.3	12.72
March	4.0	43.1	29.9	15.10
April	3.9	47.0	32.7	13.61
May	−.7	46.3	32.0	9.25
Junep	−1.1	45.2	30.9	7.99

*Represents average of weekly rates for indicated month.
p — preliminary.
SOURCE: NAMSB.

Table 21

6-Month Money Market Certificates in Mutual Savings Banks, by States, March 31, 1980

(Amounts in millions of dollars)

State	Amount outstanding	Per cent of savings and time deposits	Per cent of time deposits
New York	22,511	29.9	48.8
City	16,483	30.2	49.7
Upstate	6,028	28.9	46.5
Massachusetts	5,308	25.8	47.4
Boston	1,293	26.9	46.5
Outside Boston	4,015	25.5	47.7
Connecticut	4,286	33.4	54.4
Pennsylvania	3,456	28.8	44.0
New Jersey	3,082	37.7	60.9
Washington	1,362	35.6	55.0
Maine	742	31.2	56.0
New Hampshire	683	29.0	50.2
Rhode Island	459	28.9	49.7
Maryland	405	25.7	55.4
Vermont	192	24.3	37.3
All other states	636	24.6	38.1
TOTAL	43,121	29.9	49.4

NOTE: Data for some states are partly estimated.
SOURCE: NAMSB.

Table 22

Market-Linked Certificates of Deposit in Selected Types of Financial Institutions, March 31, 1980

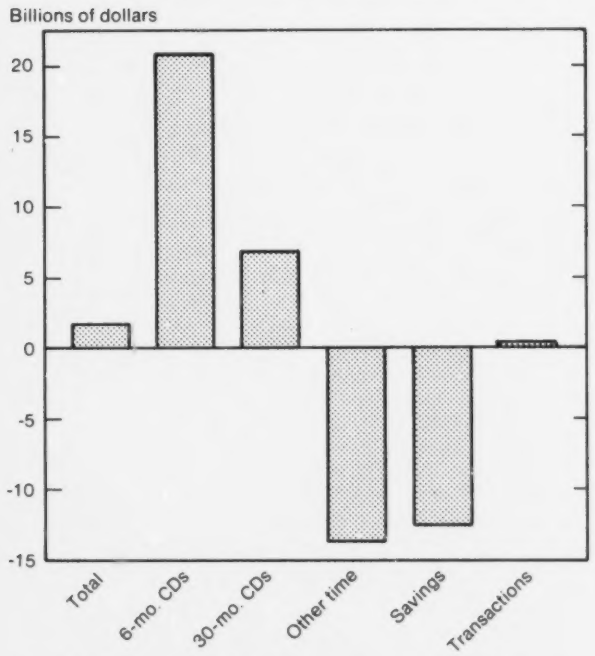
(Amounts in billions of dollars)

Type of institution	Outstanding balances Amount	Per cent of total	CDs outstanding as per cent of savings and time deposits
	6-Month CDs		
Mutual savings banks	43.1	12.5	29.9
Commercial banks	138.7	40.3	31.2
Savings and loan associations	162.4	47.2	34.7
TOTAL	344.2	100.0	—
	30-Month CDs		
Mutual savings banks	2.4	15.1	1.7
Commercial banks	6.2	39.0	1.4
Savings and loan associations	7.3	45.9	1.6
TOTAL	15.9	100.0	—

SOURCE: FHLBB, FRB and NAMSB.

Chart 3

Net Deposit Change, Including Interest, at Mutual Savings Banks, by Type of Account July 1979-June 1980



NOTE: Transactions accounts include checking and both interest-bearing and noninterest-bearing NOW accounts. Data shown in this chart are for the period June 30, 1979–June 30, 1980. Total includes data for certain types of deposits not shown separately.
SOURCE: NAMSB.

Table 23

Individual Retirement Accounts in Mutual Savings Banks, by States, December 31, 1979

State	Amounts outstanding (in thousands of dollars)	Number of accounts	Average size of account (in dollars)	Per cent of banks offering IRAs
New York	1,325,122	369,261	3,589	99
Massachusetts	169,775	57,138	2,971	94
Connecticut	154,238	38,111	4,047	92
Pennsylvania	157,875	72,805	2,168	100
New Jersey	91,463	31,036	2,947	83
Washington	47,416	17,138	2,767	100
Maine	17,046	4,873	3,498	89
New Hampshire	19,014	5,687	3,343	92
Rhode Island	11,682	6,285	1,859	83
Vermont	7,080	1,930	3,668	100
All other states	31,228	7,901	3,952	88
TOTAL	2,031,941	612,165	3,319	94

NOTE: Data refer to Individual Retirement Accounts which offer tax-sheltered retirement savings programs for persons otherwise not covered by qualified retirement plans. Offerings of these accounts were authorized for the first time under the Employee Retirement Income Security Act of 1974. Data shown in this table are based on reports from 443 savings banks representing 95% of total industry deposits.
SOURCE: NAMSB.

Table 24

Keogh Retirement Accounts in Mutual Savings Banks, by States, December 31, 1979

State	Amounts outstanding (in thousands of dollars)	Number of individuals covered	Average per capita balance (in dollars)	Per cent of banks offering Keogh accounts
New York	758,637	118,891	6,381	94
Massachusetts	79,020	15,410	5,128	74
Connecticut	23,535	2,946	7,989	32
Pennsylvania	50,647	12,155	4,167	67
New Jersey	53,869	9,221	5,842	72
Washington	43,253	2,725	15,873	67
Maine	474	64	7,405	29
New Hampshire	4,190	583	7,188	48
All other states	10,956	1,424	7,694	29
TOTAL	1,024,581	163,419	6,270	65

NOTE: Keogh accounts refer to tax-sheltered savings plans for self-employed persons, first authorized in the Employee Retirement Security Act of 1962 and liberalized in the Employee Retirement Income Security Act of 1974.
See note to Table 23.
SOURCE: NAMSB.

Table 25

Number of Checks Received Under the Direct Deposit Program, Selected Types of Financial Institutions, by Savings Bank States, April 1980

State	Total	Mutual savings banks	Commercial banks	Savings and loan associations
New York	941,559	295,901	561,513	84,145
Massachusetts	326,873	119,281	171,222	36,370
Connecticut	154,249	47,892	93,405	12,952
Pennsylvania	524,149	33,417	463,020	27,712
New Jersey	310,102	38,532	239,835	31,735
Washington	288,412	11,457	262,059	14,896
Maine	60,371	13,813	43,931	2,627
New Hampshire	54,892	14,231	36,352	4,309
Rhode Island	47,836	3,901	42,403	1,532
Maryland	144,723	6,681	127,474	10,568
Vermont	27,542	2,372	24,819	351
All other states	912,709	7,962	870,410	34,337
TOTAL	3,793,417	595,440	2,936,443	261,534

SOURCE: U.S. Treasury Department.

Table 26

Checking Deposits in Mutual Savings Banks, by States, December 31, 1979

State	Number of savings banks	Number of banks offering accounts	Amounts (thousands of dollars)	Per cent of total deposits
New York	112	104	629,537	.8
Connecticut	65	48	130,753	1.0
Maine	29	27	18,220	.8
New Jersey	20	20	251,202	3.0
Indiana	4	3	17,106	7.1
Maryland	3	3	41,270	2.6
Other states	16	12	40,311	1.1
TOTAL states where authorized	249	217	1,128,399	1.1

NOTE: See Table 80.
SOURCE: NAMSB and state savings bank associations.

Table 27

NOW Deposits in Mutual Savings Banks, by States, December 31, 1979

State	Number of savings banks	Number of banks offering accounts	Amounts (thousands of dollars)	Per cent of total deposits
Massachusetts	163	159	822,000	4.0
New York	112	75	173,944	.2
Connecticut	65	50	104,792	.8
New Hampshire	26	25	100,100	4.3
Maine	29	28	49,231	2.1
Pennsylvania	9	5	32,290	.3
Other states	23	12	9,243	.1
TOTAL states where authorized	427	354	1,291,600	1.0

NOTE: NOW accounts refer to interest-bearing non-passbook savings accounts from which withdrawals may be made by negotiable orders of withdrawal. Data for Pennsylvania refer to non-interest bearing negotiable orders of withdrawal. See Table 80.
SOURCE: Mutual Savings Central Fund, Inc., Massachusetts, NAMSB and state savings bank associations.

Table 28

Deposit Activity in Regular Accounts in Mutual Savings Banks, 1960-1979

(in millions of dollars)

Years	Amounts deposited	Amounts withdrawn	Net new money	Interest	Net deposit gains	Percentage increase in regular deposits
1960	9,470	9,317	153	1,209	1,362	3.9
1961	10,408	9,825	583	1,330	1,913	5.3
1962	11,413	9,930	1,483	1,555	3,038	8.0
1963	12,230	10,691	1,539	1,716	3,255	7.9
1964	14,165	11,847	2,319	1,918	4,237	9.6
1965	14,587	13,063	1,525	2,057	3,582	7.4
1966	16,018	15,795	224	2,333	2,557	4.9
1967	17,929	15,547	2,382	2,702	5,085	9.3
1968	19,892	18,728	1,164	3,036	4,200	7.0
1969	21,335	22,064	−729	3,240	2,511	3.9
1970	30,207	29,267	941	3,575	4,515	6.8
1971	33,462	27,769	5,693	3,955	9,648	13.6
1972	40,333	34,883	5,451	4,616	10,067	12.4
1973	47,522	47,964	−442	5,258	4,815	5.3
1974	46,187	49,010	−2,823	5,730	2,907	3.0
1975	53,125	48,369	4,757	6,313	11,070	11.3
1976	62,429	57,147	5,283	6,986	12,269	11.2
1977	73,306	70,431	2,874	7,813	10,687	8.8
1978	91,967	92,558	−591	8,289	7,697	5.8
1979	122,026	128,987	−6,962	9,621	2,659	1.9

NOTE: See note to Table 18.
SOURCE: NAMSB

Table 29

Deposit Activity in Regular Accounts in Mutual Savings Banks, Monthly, 1971-1980

(in millions of dollars)

Year	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Amounts deposited							
1971	3,210	2,405	3,079	3,561	2,451	2,711	3,202	2,357	2,327	2,879	2,470	2,809	33,462
1972	3,947	2,988	3,584	4,251	3,055	3,436	3,968	2,935	2,765	3,653	2,797	2,955	40,333
1973	4,786	2,815	3,423	4,336	3,298	3,392	5,277	6,052	3,184	4,358	3,452	3,149	47,522
1974	4,783	3,138	3,631	5,050	3,558	3,341	4,903	3,430	3,204	4,354	3,199	3,596	46,187
1975	5,528	3,706	4,564	5,696	4,283	4,758	5,052	3,577	3,648	4,602	3,500	4,210	53,125
1976	5,741	4,680	5,539	6,167	4,470	4,985	5,662	4,640	4,662	5,606	4,765	5,512	62,429
1977	6,365	4,664	5,669	6,273	5,377	5,790	6,957	7,939	5,887	6,703	5,729	5,953	73,306
1978	7,371	5,299	6,754	7,307	6,564	8,648	9,120	7,613	7,126	8,990	8,061	9,115	91,967
1979	12,303	7,179	9,350	10,196	9,007	9,719	12,630	9,829	8,924	12,699	10,231	9,958	122,026
1980	13,611	10,549	14,413	17,246	12,559								
						Amounts withdrawn							
1971	2,573	1,594	2,125	2,910	1,740	2,421	2,925	2,162	2,222	2,655	1,958	2,484	27,769
1972	3,231	2,179	2,812	3,971	2,523	3,150	3,554	2,642	2,546	3,361	2,282	2,632	34,883
1973	4,191	2,413	3,143	4,424	2,933	3,413	5,881	6,703	3,797	4,695	3,186	3,186	47,964
1974	4,737	2,796	3,324	5,695	3,740	3,712	5,637	4,267	3,893	4,614	2,963	3,633	49,010
1975	5,278	2,998	3,535	5,301	3,353	4,012	4,788	3,599	3,986	4,472	2,951	4,096	48,369
1976	4,931	3,893	4,673	5,815	3,308	5,021	5,329	4,594	4,587	5,025	4,226	5,144	57,147
1977	5,720	4,079	5,046	6,441	4,799	5,706	6,561	7,951	6,024	6,407	5,630	6,068	70,431
1978	7,430	5,129	6,416	7,860	6,466	8,738	9,081	7,688	7,167	8,942	8,121	9,520	92,558
1979	12,421	6,837	8,887	11,388	9,348	10,353	13,363	10,333	9,996	14,120	10,996	10,945	128,987
1980	15,047	11,092	15,091	18,271	12,317								
						Net new money							
1971	637	811	955	651	710	291	276	195	105	224	512	325	5,693
1972	716	809	773	280	533	286	414	293	218	292	515	323	5,451
1973	595	402	280	−88	366	−21	−603	−651	−613	−337	265	−37	−442
1974	46	341	308	−645	−182	−370	−733	−837	−689	−260	236	−37	−2,823
1975	250	708	1,029	395	930	746	264	−21	−338	131	549	114	4,757
1976	810	787	866	352	561	−36	333	47	75	582	539	367	5,283
1977	645	585	623	−168	577	84	397	−12	−137	296	99	−115	2,874
1978	−59	170	338	−553	97	−90	38	−75	−41	48	−59	−405	−591
1979	−118	342	463	−1,192	−341	−635	−733	−504	−1,072	−1,421	−765	−987	−6,962
1980	−1,436	−543	−679	−1,024	242								
						Interest							
1971	153	95	650	150	109	705	139	105	687	158	119	884	3,955
1972	140	122	734	184	136	868	168	127	797	178	151	1,010	4,616
1973	171	149	823	184	160	930	192	145	896	188	174	1,247	5,258
1974	211	179	932	204	188	1,116	213	191	1,008	185	213	1,090	5,730
1975	221	202	1,023	231	213	1,124	245	218	1,123	217	215	1,280	6,313
1976	227	231	1,162	234	240	1,260	235	261	1,232	253	261	1,390	6,986
1977	268	262	1,279	275	278	1,400	280	294	1,337	291	307	1,540	7,813
1978	297	306	1,374	289	339	1,393	303	335	1,396	305	334	1,618	8,289
1979	336	340	1,509	374	402	1,644	396	412	1,559	393	440	1,817	9,621
1980	508	464	1,609	575	619								
						Net gains in total regular deposits, including interest							
1971	791	906	1,604	801	819	995	416	300	792	382	632	1,209	9,648
1972	856	931	1,507	464	669	1,154	582	419	1,015	470	666	1,333	10,067
1973	766	551	1,102	96	526	910	−412	−506	283	−150	440	1,210	4,815
1974	257	521	1,240	−441	6	745	−521	−646	319	−74	449	1,053	2,907
1975	471	909	2,052	626	1,143	1,871	509	197	785	348	765	1,394	11,070
1976	1,037	1,018	2,029	586	801	1,224	558	307	1,308	835	800	1,757	12,269
1977	913	847	1,903	107	855	1,484	677	282	1,200	587	406	1,426	10,687
1978	238	476	1,712	−264	436	1,303	341	260	1,354	354	275	1,213	7,697
1979	218	682	1,971	−818	61	1,009	−337	−92	487	−1,028	−325	830	2,659
1980	−928	−79	930	−449	861								

(continued)

Table 29 (continued)

Deposit Activity in Regular Accounts in Mutual Savings Banks, Monthly, 1971-1980

(in millions of dollars)

Year	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Net gains in savings deposits, including interest							
1972	−64	546	987	−21	362	891	−157	106	441	−141	344	914	4,208
1973	−411	257	654	−573	270	432	−1,260	−2,086	−58	−937	−56	726	−3,041
1974	−480	185	805	−558	−183	330	−582	−665	12	−155	233	617	−440
1975	−45	536	1,460	224	815	1,241	−10	−72	301	−73	428	560	5,366
1976	252	667	1,289	−59	355	607	293	−361	612	126	262	621	4,663
1977	92	417	1,222	76	48	649	37	93	478	−189	−43	546	3,424
1978	−440	83	946	−643	103	−952	−1,205	−538	−163	−1,299	−1,727	−653	−6,488
1979	−2,572	−427	13	−1,071	−181	536	−582	−792	−1,071	−3,030	−1,522	−86	−10,786
1980	−1,871	−1,126	−1,286	−2,700	414								
						Net gains in time deposits, including interest							
1972	921	385	520	485	306	264	739	313	574	611	322	419	5,859
1973	1,177	294	449	669	255	478	848	1,580	340	787	495	484	7,857
1974	737	335	434	116	189	416	61	19	307	80	216	436	3,347
1975	516	373	592	402	328	629	518	269	484	422	336	834	5,704
1976	785	351	740	645	446	618	275	669	696	709	537	1,136	7,605
1977	821	430	680	31	808	835	641	189	722	776	449	880	7,262
1978	678	392	767	378	333	2,255	1,546	798	1,517	1,653	2,002	1,866	14,186
1979	2,791	1,109	1,959	253	242	473	245	700	1,559	2,002	1,196	916	13,445
1980	944	1,048	2,217	2,251	447								

NOTE: Data on amounts deposited and amounts withdrawn reflect shifts among different types of accounts. See note to Table 18 for description of deposit categories. Data for savings and time deposits are not available prior to 1972.
SOURCE: NAMSB.

Table 30

Distribution of Net Gains in Time Deposits, Including Interest, Monthly, 1978-1980

(in billions of dollars)

Year	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						6-month money market certificates							
1978	—	—	—	—	—	2.0	1.8	1.1	1.5	2.5	2.3	1.8	13.0
1979	4.2	1.9	2.4	1.9	.5	.5	1.4	1.0	1.8	3.6	1.6	1.2	22.0
1980	2.0	2.1	4.0	3.9	−.7	−1.1							
						Other time deposits							
1978	.7	.4	.8	.4	.3	.3	−.3	−.3	*	−.8	−.3	.1	1.2
1979	−1.4	−.8	−.4	−1.6	−.3	*	−1.2	−.3	−.2	−1.6	−.4	−.3	−8.6
1980	−1.1	−1.1	−1.8	−1.6	1.1	n.a.							

*Less than $50 million.
n.a.—not available.
SOURCE: NAMSB.

Deposits and General Reserve Accounts

Table 31

Net Deposit Gains in Mutual Savings Banks, Seasonally Adjusted Annual Rates, Quarterly, 1965-1980

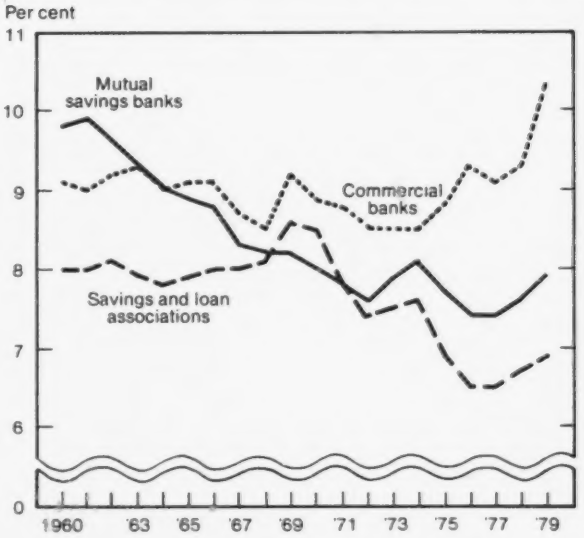
(in billions of dollars)

Year	I	II	III	IV	Total
1965	3.8	3.3	3.7	3.5	3.6
1966	2.5	.9	3.3	3.5	2.6
1967	5.1	5.9	5.3	4.1	5.1
1968	4.1	3.7	4.5	4.5	4.2
1969	3.5	2.4	2.1	2.3	2.6
1970	1.0	3.7	5.9	7.1	4.4
1971	11.5	10.8	8.4	8.8	9.9
1972	11.0	9.2	11.4	9.1	10.2
1973	7.0	6.2	1.3	4.4	4.7
1974	5.7	1.4	.6	4.9	3.1
1975	10.9	14.8	9.9	9.1	11.2
1976	13.4	11.2	14.3	13.2	13.0
1977	11.6	10.7	12.8	9.4	11.1
1978	9.0	8.3	9.9	7.3	8.6
1979	9.2	3.6	1.6	−1.5	3.2
1980p	−2.7				

p — preliminary
NOTE: Data include interest credited. Figures refer to total deposits.
SOURCE: FRB.

Chart 4

Ratio of Capital or General Reserve Accounts to Deposits or Savings, Selected Types of Financial Institutions, 1960-1979



NOTE: Data are as of year end. See notes to Tables 1 and 32.
SOURCE: FHLBB, FRB and NAMSB.

Table 32

Ratio of General Reserve Accounts to Deposits of Mutual Savings Banks, by State, Selected Years, 1900-1979

(in per cent)

Year	Total	New York	Mass	Conn	Pa	N.J	Wash	Me	N.H	R.I	Md
1900	9.3	12.5	6.5	5.7	9.1	8.8	—	5.4	15.2	4.5	3.7
1910	8.8	9.7	7.6	6.3	10.5	7.7	—	8.6	14.3	7.5	5.6
1920	8.1	7.8	8.9	7.6	7.6	8.0	2.8	9.2	8.3	7.3	8.2
1930	11.5	13.2	8.9	11.8	8.3	11.8	2.9	11.8	11.4	8.8	10.2
1940	11.9	13.0	11.3	11.6	7.7	12.0	5.7	14.0	11.7	7.9	11.8
1945	10.6	10.8	10.7	12.2	8.0	12.4	5.9	13.0	11.7	8.8	11.3
1950	11.4	10.8	12.7	12.5	13.1	11.7	7.9	14.7	14.0	10.1	11.8
1960	9.8	9.4	11.2	10.4	8.6	9.0	9.1	12.5	12.3	8.9	9.5
1970	8.0	7.6	9.1	9.1	7.3	6.8	7.7	9.7	9.9	8.3	8.3
1971	7.8	7.5	8.7	8.7	6.9	6.3	7.2	9.2	9.6	8.3	8.7
1972	7.6	7.3	8.5	8.5	6.6	6.4	7.0	9.1	9.4	8.0	8.5
1973	7.9	7.6	8.8	9.1	6.9	6.7	7.4	9.2	9.7	8.9	8.5
1974	8.1	7.8	9.1	9.3	6.9	6.9	7.1	9.3	10.8	9.2	9.0
1975	7.7	7.4	8.7	8.9	6.6	6.5	6.7	8.8	10.0	8.5	8.9
1976	7.4	7.1	8.5	8.3	6.4	6.3	6.5	8.7	9.6	8.3	9.0
1977	7.4	7.1	8.6	8.2	6.3	6.9	7.0	8.6	9.5	8.5	9.2
1978	7.6	7.3	8.8	8.2	6.6	7.0	7.7	8.9	9.8	9.2	9.6
1979	7.9	7.6	9.0	8.8	6.7	7.1	8.1	9.0	10.1	9.2	9.6

NOTE: Total includes data for states not shown separately. End-of-year data except for 1900 to 1920 which are as of mid-year. General reserve data underlying the ratios shown in this table exclude valuation reserves for 1979 and years prior to 1971. Data for 1971-1978 include valuation reserves against specific assets. See Table 1.
SOURCE: FRB and NAMSB.

III—Capital Market Investments of Mutual Savings Banks

The basic goal of savings bank investment policy is to channel funds into productive outlets that will earn maximum returns for savers consistent with safety and liquidity. Mutual savings banks have generally pursued this goal through investment in mortgages, although they have the authority to invest their resources in a variety of assets.

The strong mortgage orientation of savings banks is reflected in the ratio of industry mortgage holdings to total assets. At the end of May 1980, this amounted to 60%, excluding mortgage-backed securities. Including these securities, savings bank holdings of mortgage-type investments represented two-thirds of total assets.

Holdings of mortgage-backed securities have become increasingly important in savings bank mortgage investment activity since inception of the GNMA program in 1970 and, from the start, savings banks have been major purchasers of these assets. By the end of May, savings bank holdings of these investments amounted to $13 billion (Table 74).

Factors Influencing Investment Patterns

Variations in the volume of new mortgage loans acquired by mutual savings banks have partially reflected changes in the supply of investable funds—mainly deposit inflows and mortgage repayments. Of the two, deposit inflow has been a highly variable source of funds for mortgage investments while repayments on outstanding mortgages have generally followed an irregular upward trend in recent years. Savings bank mortgage lending patterns have also been influenced by variations in the strength of mortgage credit demands and changes in the competitive yield position of mortgage loans.

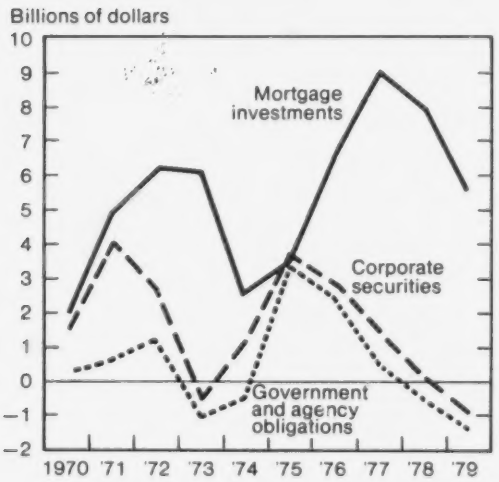
In 1979, gross mortgage acquisitions of savings banks fell by $2.7 billion to a total of $14.3 billion in the face of the largest net outflow of deposits in savings bank history. This was the first time since the 1974 disintermediation period that annual gross mortgage acquisitions experienced an actual decline (Tables 38 and 40). Although the deposit drain sharply reduced the amount of funds available for investment, the industry was still able to provide a relatively substantial amount of mortgage credit by cutting back non-mortgage investments and by utilizing a relatively heavy volume of mortgage repayments.

The industry emphasis on mortgage acquisitions partly reflected strong mortgage credit demands based on: (1) substantial growth in "home buying" age groups; and (2) a broad public perception of home ownership as a major hedge against inflation. In late 1979 and early 1980, however, mortgage and housing markets weakened markedly in the worsening financial and economic climate and mortgage acquisitions dropped sharply.

As savings banks expanded mortgage portfolios in the 1970s, their net acquisitions of corporate securities and government obligations have fluctuated widely. While, in some years, sharp cutbacks in the acquisition of nonmortgage assets have been made to accumulate sufficient funds for maintaining high level mortgage lending, portfolios of federally-sponsored agency, state and local government and corporate securities have generally shown a long-term upward trend (Tables 43 and 44).

The increased volatility of deposit flows in recent years has also intensified savings bank efforts to maintain adequate positions in liquid assets such as cash, federal funds, open-market paper and short-term marketable securities. In 1979 and early 1980, maintaining strong liquidity positions was a major objective of mutual savings banks, owing to the deterioration in industry deposit trends. Industry holdings of cash and investments maturing within one year represented 7.7% of deposits at the end of May 1980, compared to 7.0% a year earlier and 7.9% at the beginning of the 1979-80 disintermediation period.

Net Changes in Selected Capital Market Investments of Mutual Savings Banks, 1970-1979



NOTE: Mortgage investments include mortgage-backed securities. See note to Table 1.

Percentage Distribution of Mortgage Holdings at Mutual Savings Banks, by Type of Property and Loan, December 31, 1979

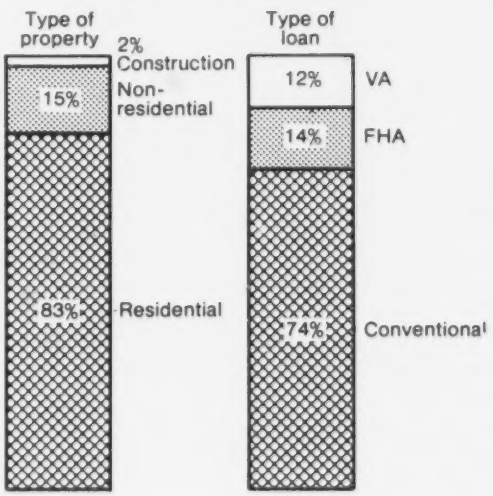


Table 33

Mortgage Loans Held by Mutual Savings Banks, by Type of Property and Loan, Selected Year-End Dates, 1945-1979

End of year	Total	Residential						Nonresidential	Memoranda GNMA mortgage-backed securities
		Total	Type of property		Type of loan				
			1- to 4-family	Multifamily	FHA	VA	Conventional		
					(In millions of dollars)				
1945	4,208	3,387	1,894	1,493	335	14	3,038	821	—
1950	8,262	7,054	4,326	2,728	1,615	1,457	3,982	1,208	—
1955	17,457	15,568	11,838	3,730	4,150	5,773	5,645	1,889	—
1960	26,935	24,306	20,575	3,731	7,074	8,986	8,246	2,629	—
1965	44,617	40,096	33,813	6,283	13,791	11,408	14,897	4,521	—
1966	47,336	42,242	35,644	6,598	14,500	11,471	16,271	5,094	—
1967	50,490	44,641	37,690	6,951	15,074	11,795	17,772	5,849	—
1968	53,457	46,748	39,493	7,255	15,569	12,033	19,146	6,709	—
1969	56,138	48,682	41,102	7,580	15,862	12,166	20,654	7,456	—
1970	57,948	49,937	42,149	7,788	16,087	12,008	21,842	8,011	85
1971	61,978	53,021	43,435	9,586	16,142	12,074	24,805	8,957	755
1972	67,556	57,139	46,229	10,910	16,013	12,622	28,504	10,417	1,384
1973	73,230	61,154	48,811	12,343	15,506	12,946	32,702	12,076	1,861
1974	74,920	62,136	49,213	12,923	14,808	12,703	34,625	12,784	2,230
1975	77,249	63,817	50,025	13,792	14,427	12,391	36,999	13,432	3,367
1976	81,639	67,266	53,089	14,177	14,596	12,317	40,353	14,373	5,808
1977	88,104	72,941	57,637	15,304	14,187	11,933	46,821	15,163	8,331
1978	95,157	78,781	62,252	16,529	14,203	11,824	52,754	16,376	10,021
1979p	98,908	81,886	64,706	17,180	13,816	11,390	56,680	17,022	11,820
					(Percentage distribution)				
1945	100.0	80.5	45.0	35.5	8.0	.3	72.2	19.5	
1950	100.0	85.4	52.4	33.0	19.5	17.6	48.2	14.6	
1955	100.0	89.2	67.8	21.4	23.8	33.1	32.3	10.8	
1960	100.0	90.2	76.4	13.9	26.3	33.4	30.6	9.8	
1965	100.0	89.9	75.8	14.1	30.9	25.6	33.4	10.1	
1966	100.0	89.2	75.3	13.9	30.6	24.2	34.4	10.8	
1967	100.0	88.4	74.6	13.8	29.9	23.4	35.2	11.6	
1968	100.0	87.4	73.9	13.6	29.1	22.5	35.8	12.6	
1969	100.0	86.7	73.2	13.5	28.3	21.7	36.8	13.3	
1970	100.0	86.2	72.7	13.4	27.8	20.7	37.7	13.8	
1971	100.0	85.5	70.1	15.5	26.0	19.5	40.0	14.5	
1972	100.0	84.6	68.4	16.1	23.7	18.7	42.2	15.4	
1973	100.0	83.5	66.7	16.9	21.2	17.7	44.7	16.5	
1974	100.0	82.9	65.7	17.2	19.8	17.0	46.2	17.1	
1975	100.0	82.6	64.8	17.9	18.7	16.0	47.9	17.4	
1976	100.0	82.4	65.0	17.4	17.9	15.1	49.4	17.6	
1977	100.0	82.8	65.4	17.4	16.1	13.5	53.1	17.2	
1978	100.0	82.8	65.4	17.4	14.9	12.4	55.4	17.2	
1979p	100.0	82.8	65.4	17.4	14.0	11.5	57.3	17.2	

p—preliminary

NOTE: Data are collected on a somewhat different basis than figures on mortgage holdings and flows, compiled solely by NAMSB and shown in other tables of the Fact Book. Data for nonresidential mortgages include farm loans. Totals exclude GNMAs. GNMA figures are compiled by NAMSB and refer to all types of mortgage-backed securities guaranteed by the Government National Mortgage Association. 1979 data for GNMAs include other types of mortgage-backed securities.

SOURCE: FRB, HUD and NAMSB

Table 34

Ratios of Mortgage Loans to Total Assets of Mutual Savings Banks, by States, Selected Year-End Dates, 1960-1979

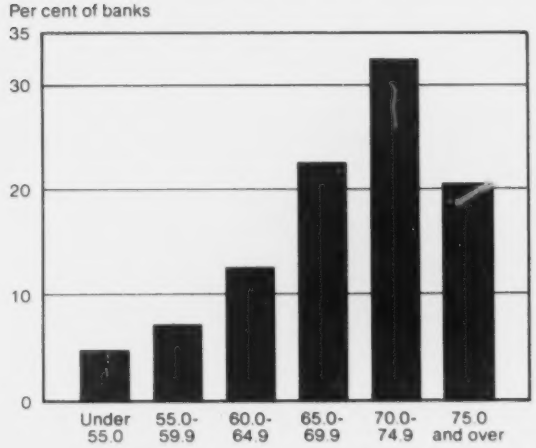
(in per cent)

State	1960	1970	1979	
			Excluding GNMAs	Including GNMAs
New York	71.2	76.6	58.5	67.4
Massachusetts	60.0	69.5	62.8	68.6
Connecticut	63.3	73.0	70.4	72.7
Pennsylvania	47.2	63.5	50.5	57.1
New Jersey	60.8	65.9	57.3	69.0
Washington	63.7	75.2	75.3	77.4
Maine	48.7	63.6	68.0	70.9
New Hampshire	60.9	68.8	66.6	70.2
Rhode Island	59.5	69.0	67.5	71.3
Maryland	48.9	54.9	57.7	58.9
Vermont	73.8	79.6	76.2	79.9
Indiana	51.3	58.4	59.4	60.7
Wisconsin	51.9	64.3	61.2	62.8
All other states	52.4	67.1	69.2	72.1
TOTAL	65.8	73.1	60.5	67.8

NOTE: See note to Table 33. GNMAs include other types of mortgage-backed securities.
SOURCE: NAMSB

Chart 5

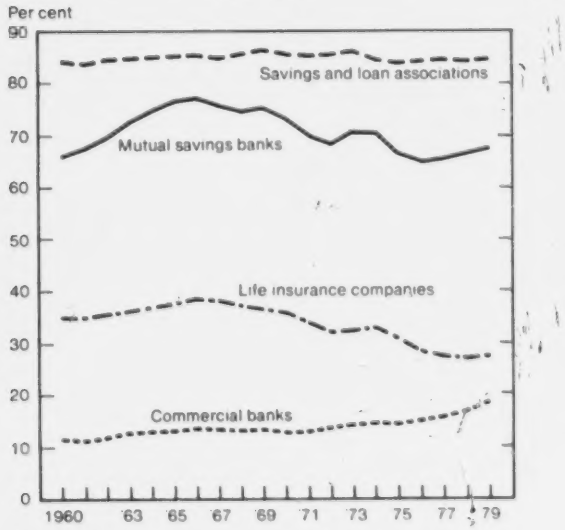
Ratio of Mortgage Loans, Including Mortgage-backed Securities, to Total Assets of Mutual Savings Banks December 31, 1979



NOTE: See note to Table 33.
SOURCE: NAMSB

Chart 6

Ratio of Mortgage Loans, Including GNMAs, to Total Assets, Main Types of Financial Institutions, 1960-1979



NOTE: Data are as of year-end. Data for life insurance companies exclude GNMAs. See note to Table 33.
SOURCE: ACLI, FHLBB, FRB and NAMSB

Table 35

Ratios of Mortgage Loans, including GNMAs, to Total Assets of Mutual Savings Banks, by States, December 31, 1979

State	Average ratio (per cent)	Number of savings banks having indicated percentage ratios: Total	Under 50.0	50.0 to 59.9	60.0 to 69.9	70.0 to 79.9	80.0 and over
Massachusetts	68.6	163	3	13	75	69	3
New York	67.4	112	3	14	41	43	11
Connecticut	72.7	65	—	5	6	51	3
Maine	70.9	29	1	3	13	12	—
New Hampshire	70.2	26	—	—	11	15	—
New Jersey	69.0	20	1	2	10	6	1
Washington	77.4	10	—	—	1	3	6
Pennsylvania	57.1	9	1	2	1	3	2
Rhode Island	71.3	6	—	1	—	5	—
Vermont	79.9	6	—	—	1	2	3
Indiana	60.7	4	1	2	—	—	1
Maryland	58.9	3	1	—	—	2	—
Wisconsin	62.8	3	—	1	2	—	—
All other states	72.1	7	—	2	1	2	2
TOTAL	67.8	463	11	45	162	213	32

NOTE: See notes to Tables 1 and 33. GNMAs include other types of mortgage-backed securities.
SOURCE: NAMSB

Table 36

Percentage Distribution of Mortgage Loans Held by Mutual Savings Banks, by Type of Loan, by States, Selected Year-End Dates, 1965-1979

State	1965				1970				1979			
			Conventional				Conventional				Conventional	
	FHA	VA	Residential	Non-residential	FHA	VA	Residential	Non-residential	FHA	VA	Residential	Non-residential
New York	33.0	28.9	28.5	9.7	30.7	23.2	32.6	13.5	20.2	13.7	48.2	17.8
Massachusetts	19.9	21.0	46.8	12.3	18.2	17.4	48.4	16.1	8.1	10.2	66.8	14.9
Connecticut	20.6	16.3	53.1	10.0	14.9	11.0	58.1	16.0	2.8	2.9	82.1	12.2
Pennsylvania	50.2	29.6	15.5	4.7	43.2	30.4	17.8	8.7	12.6	17.3	48.8	21.3
New Jersey	31.1	21.8	40.0	7.0	31.3	19.2	42.3	7.1	13.1	12.9	60.9	13.1
Washington	28.7	5.9	42.1	23.3	18.4	3.9	58.6	19.1	3.1	2.3	77.9	16.7
Maine	32.2	22.5	32.1	13.2	25.0	21.8	38.0	15.2	4.5	15.1	65.9	14.5
New Hampshire	22.4	20.1	38.2	19.3	20.7	17.0	45.6	16.7	3.7	8.8	72.2	15.3
Rhode Island	32.1	18.5	42.1	7.3	24.8	16.3	46.0	12.8	4.6	4.7	70.6	20.0
Maryland	33.1	24.1	36.1	6.6	31.6	21.9	41.8	4.7	7.7	11.6	73.0	7.6
Vermont	39.8	15.0	30.0	15.2	27.9	12.4	46.0	13.8	5.4	4.8	79.4	10.4
All other states	34.0	8.1	41.0	16.9	30.1	7.8	42.6	19.5	6.3	3.3	66.1	24.3
TOTAL	30.9	25.6	33.4	10.1	27.8	20.8	37.7	13.8	13.9	11.4	58.0	16.7

NOTE: Data are based on gross mortgage loans before deduction of valuation reserves. Nonresidential loans include farm loans.
SOURCE: NAMSB.

Table 37

Net Flow of Mortgage Funds From Mutual Savings Banks, by Type of Property and Loan, 1956-1979

(in millions of dollars)

Period	Total	Residential						Nonresidential	Memoranda GNMA mortgage-backed securities
		Total	Type of property		Type of loan				
			1- to 4-family	Multifamily	FHA	VA	Conventional		
1956	2,289	2,135	2,181	−46	259	1,366	510	154	—
1957	1,423	1,307	1,387	−80	260	651	396	116	—
1958	2,094	1,925	1,870	55	832	570	522	169	—
1959	1,729	1,551	1,590	−39	775	229	547	178	—
1960	1,943	1,820	1,709	111	798	397	625	123	—
1961	2,210	2,035	1,852	183	971	281	783	175	—
1962	3,175	2,840	2,403	437	1,193	520	1,127	335	—
1963	3,904	3,537	2,912	625	1,446	703	1,388	367	—
1964	4,332	3,769	3,046	723	1,603	631	1,535	563	—
1965	4,061	3,609	3,025	584	1,504	287	1,818	452	—
1966	2,719	2,146	1,831	315	709	63	1,374	573	—
1967	3,154	2,399	2,046	353	574	324	1,501	755	—
1968	2,967	2,107	1,803	304	495	238	1,374	860	—
1969	2,681	1,934	1,609	325	293	133	1,508	747	—
1970	1,810	1,255	1,047	208	225	−158	1,188	555	85
1971	4,030	3,084	1,286	1,798	55	66	2,963	946	670
1972	5,578	4,118	2,794	1,324	−129	548	3,699	1,460	628
1973	5,674	4,015	2,582	1,433	−507	324	4,198	1,659	477
1974	1,690	982	402	580	−698	−243	1,923	708	381
1975	2,329	1,681	812	869	−381	−312	2,374	648	1,137
1976	4,390	3,449	3,064	385	169	−74	3,354	941	2,424
1977	6,465	5,675	4,548	1,127	−409	−384	6,468	790	2,515
1978	7,053	5,840	4,615	1,225	16	−109	5,933	1,213	1,630
1979p	3,751	3,105	2,454	651	−387	−434	3,926	646	1,799

p—preliminary.
NOTE: Data are based on figures shown in Table 33. See note to Table 33. 1979 data for GNMAs include other types of mortgage-backed securities.
SOURCE: FRB, HUD and NAMSB.

Table 38

Gross Flow of Mortgage Funds Through Mutual Savings Banks, by Type of Loan, 1961-1979

(in millions of dollars)

Year	New loans acquired				Repayments				Net gain			
	Total	FHA	VA	Conventional and other	Total	FHA	VA	Conventional and other	Total	FHA	VA	Conventional and other
1961	4,899	1,499	856	2,544	2,697	544	630	1,523	2,202	955	226	1,021
1962	6,245	1,878	1,263	3,104	3,091	677	773	1,641	3,154	1,201	490	1,463
1963	7,706	2,378	1,600	3,728	3,755	952	884	1,919	3,951	1,426	717	1,809
1964	8,500	2,802	1,579	4,119	4,184	1,165	949	2,070	4,316	1,636	631	2,049
1965	8,654	2,715	1,364	4,576	4,551	1,206	1,044	2,302	4,103	1,509	319	2,274
1966	7,066	1,898	963	4,205	4,366	1,227	900	2,239	2,700	671	63	1,966
1967	7,417	1,665	1,244	4,508	4,321	1,075	923	2,323	3,096	591	320	2,185
1968	7,015	1,465	1,056	4,493	4,225	988	826	2,410	2,790	477	230	2,083
1969	6,726	1,352	901	4,473	4,228	1,089	826	2,314	2,497	263	75	2,159
1970	5,944	1,179	676	4,089	4,000	916	784	2,300	1,944	263	−108	1,789
1971	9,915	1,493	1,026	7,396	5,735	1,189	918	3,630	4,180	304	108	3,766
1972	12,939	1,641	1,773	9,525	7,413	1,585	1,198	4,630	5,526	56	575	4,896
1973	13,283	1,149	1,567	10,568	7,641	1,731	1,296	4,614	5,643	−583	271	5,954
1974	8,740	757	814	7,169	6,568	1,515	1,017	4,036	2,172	−757	−203	3,133
1975	9,396	1,106	707	7,584	7,067	1,464	787	4,815	2,329	−358	−81	2,768
1976	11,912	1,327	927	9,657	7,814	1,485	1,355	4,975	4,097	−157	−428	4,682
1977	16,527	1,290	1,147	14,090	10,054	1,474	1,393	7,187	6,473	−183	−246	6,902
1978	16,928	1,424	1,171	14,333	10,601	1,441	1,309	7,851	6,327	−17	−137	6,481
1979	14,255	1,204	761	12,290	9,992	1,576	1,188	7,228	4,263	−372	−427	5,062

NOTE: Data on net gain are gross of valuation reserves. Repayments are calculated by subtracting net gain from new loans acquired.
SOURCE: NAMSB.

Table 39

Selected Ratios of Mortgage Loan Portfolio Activity of Mutual Savings Banks , 1961-1979

(in per cent)

Year	Ratio to loans outstanding at beginning of the year								Ratio of net gain to new loans acquired			
	New loans acquired				Repayments							
	Total	FHA	VA	Conventional and other	Total	FHA	VA	Conventional and other	Total	FHA	VA	Conventional and other
1961	18.2	21.2	9.5	23.5	10.0	7.7	7.0	14.1	44.9	63.7	26.4	40.1
1962	21.4	23.4	13.6	26.2	10.6	8.4	8.3	13.9	50.5	64.0	38.8	47.1
1963	23.9	25.8	16.4	28.0	11.6	10.3	9.1	14.4	51.3	60.0	44.8	48.5
1954	23.5	26.3	15.1	27.3	11.5	10.9	9.0	13.7	50.8	58.4	39.9	49.7
1965	21.3	22.1	12.3	26.7	11.2	9.8	9.4	13.4	47.4	55.6	23.4	49.7
1966	15.8	13.8	8.4	21.6	9.8	8.9	7.9	11.5	38.2	35.4	6.5	46.8
1967	15.7	11.5	10.8	21.1	9.1	7.4	8.0	10.9	41.7	35.5	25.8	48.5
1968	13.9	9.7	8.9	18.9	8.3	6.6	7.0	10.2	39.8	32.6	21.8	46.4
1969	12.6	8.7	7.5	17.3	7.9	7.0	6.8	9.0	37.1	19.5	8.4	48.3
1970	10.6	7.4	5.6	14.6	7.1	5.8	6.5	8.2	32.7	22.3	−16.0	43.8
1971	17.1	9.3	8.5	24.8	9.9	7.4	7.6	12.2	42.2	20.4	10.5	50.9
1972	20.9	10.1	14.7	28.3	12.0	9.7	9.9	13.8	42.7	3.4	32.4	51.4
1973	19.7	7.0	12.4	27.4	11.3	10.6	10.2	12.0	42.5	−50.7	17.3	56.3
1974	11.9	4.8	6.3	16.1	9.0	9.6	7.9	9.1	24.9	−100.0	−24.8	43.7
1975	12.6	7.4	5.6	16.0	9.4	9.8	6.2	10.2	24.8	−32.4	−11.5	36.5
1976	15.4	9.1	7.4	19.3	10.1	10.2	10.8	9.9	34.4	−11.8	−46.1	48.5
1977	20.2	9.0	9.4	25.6	12.3	10.3	11.4	13.0	39.2	−14.2	−21.5	49.0
1978	19.2	10.0	9.8	23.1	12.0	10.2	11.0	12.6	37.4	−1.2	−11.7	45.2
1979	15.0	8.5	6.4	17.8	10.5	11.1	10.0	10.5	29.9	−30.9	−56.1	41.2

NOTE: See note to Table 38.
SOURCE: NAMSB.

Table 40

Gross Mortgage Acquisitions of Mutual Savings Banks, by States, 1970-1979

(in millions of dollars)

State	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
New York	2,621	4,351	5,831	6,165	3,979	3,954	4,595	6,333	6,593	5,503
Massachusetts	1,311	1,942	2,414	2,608	1,660	1,584	1,898	2,744	2,903	2,294
Connecticut	684	1,264	1,490	1,581	1,063	1,418	1,811	2,513	2,406	2,032
Pennsylvania	389	500	729	608	511	560	1,019	1,129	1,099	1,102
New Jersey	282	539	696	695	389	409	538	964	944	774
Washington	105	271	369	299	255	285	587	898	921	929
Maine	118	193	250	301	204	271	336	451	440	326
New Hampshire	112	238	302	287	198	209	293	427	456	379
Rhode Island	96	224	286	229	174	204	226	258	272	226
Maryland	64	115	144	137	60	123	181	172	148	155
Vermont	48	71	91	83	63	102	85	164	191	149
Other	114	208	337	291	184	277	343	474	555	387
TOTAL	5,944	9,915	12,939	13,283	8,740	9,396	11,912	16,527	16,928	14,255

SOURCE NAMSB

Table 41

Amount, Number and Average Size of Mortgage Loans Held and Acquired by Mutual Savings Banks, by Type of Loan, Selected Years, 1950-1979

	Loans held at end of year				New Loans acquired during year			
Item	1950	1960	1970	1979	1950	1960	1970	1979
Amount (In millions of dollars)								
Total	8,274	26,934	57,909	99,675	2,496	4,437	5,944	14,255
FHA	1,615	7,073	16,091	13,816	788	1,183	1,179	1,204
VA	1,457	9,050	12,018	11,390	512	912	676	761
Conventional and other	5,202	10,811	29,800	74,469	1,196	2,342	4,089	12,290
Number (In thousands)								
Total	1,071	2,482	3,708	3,665	279	312	212	287
FHA	162	604	1,233	848	57	86	60	25
VA	222	968	1,106	811	73	86	37	22
Conventional and other	687	910	1,370	2,007	149	140	115	240
Average size (In dollars)								
Total	7,727	10,850	15,616	27,193	8,949	14,244	27,992	49,606
FHA	9,982	11,705	13,052	16,295	13,823	13,714	19,632	47,272
VA	6,564	9,346	10,871	14,050	7,040	10,635	18,371	34,020
Conventional and other	7,571	11,882	21,751	37,106	8,016	16,790	35,404	51,310

NOTE See note to Table 38
SOURCE NAMSB

Table 42

Home Mortgage Delinquency and Foreclosure Rates of Mutual Savings Banks, by Type of Loan, Quarterly, 1975-1980

(in per cent)

Quarter		Delinquency rates				Foreclosure rates			
		Total	FHA	VA	Conventional	Total	FHA	VA	Conventional
1975—	I	.66	.78	.62	.59	.05	.08	.05	.02
	II	.60	.71	.51	.59	.06	.09	.06	.03
	III	.66	.76	.58	.64	.05	.08	.05	.03
	IV	.70	.77	.64	.70	.05	.07	.05	.03
1976—	I	.68	.75	.61	.68	.04	.06	.05	.03
	II	.64	.71	.57	.64	.04	.06	.04	.03
	III	.71	.82	.65	.66	.04	.05	.04	.03
	IV	.76	.90	.70	.71	.04	.06	.04	.03
1977—	I	.73	.92	.65	.66	.05	.07	.04	.03
	II	.68	.85	.59	.63	.05	.07	.05	.04
	III	.70	.87	.63	.64	.05	.08	.05	.03
	IV	.74	.93	.69	.66	.05	.08	.05	.03
1978—	I	.74	.97	.71	.63	.04	.07	.04	.03
	II	.66	.86	.62	.58	.05	.08	.05	.03
	III	.70	.95	.67	.59	.04	.07	.04	.02
	IV	.74	1.01	.71	.62	.04	.06	.04	.03
1979—	I	.70	.98	.69	.54	.04	.07	.05	.03
	II	.67	.93	.66	.53	.04	.07	.04	.02
	III	.67	.87	.69	.56	.04	.07	.04	.02
	IV	.71	.97	.74	.56	.04	.06	.04	.02
1980—	I	.68	.97	.71	.52	.03	.06	.04	.02

NOTE: Data refer to the percentage ratio of the number of one- to four-family mortgage loans delinquent or foreclosed to the total number of one- to four-family loans held by mutual savings banks in the indicated categories. Delinquent loans are defined as loans held at the end of the indicated quarters which are: (1) three or more payments overdue on a monthly program, or (2) in the process of foreclosure. Foreclosure data refer to loans which have been foreclosed (foreclosure completed) within the quarter. Information shown in this table is based on reports representing over four-fifths of the total number of home mortgage loans held by savings banks.
SOURCE: NAMSB.

Table 43

Net Flow of Investment Funds from Mutual Savings Banks, 1960-1979

(in millions of dollars)

Year	Total	Mortgage investments			Securities				Cash and other
		Total	Mortgage loans	GNMA mortgage-backed	U.S. Gov't and federal agency	State and municipal	Corporate and other bonds	Corporate stock	
1960	1,626	1,933	1,933	—	−558	−49	149	13	139
1961	2,257	2,199	2,199	—	−40	5	−146	66	172
1962	3,292	3,155	3,155	—	57	−150	−121	149	203
1963	3,582	3,951	3,951	—	−147	−87	−327	127	65
1964	4,535	4,322	4,322	—	−38	−49	−100	90	310
1965	3,994	4,105	4,105	—	−210	−72	−191	167	195
1966	2,751	2,759	2,759	—	−509	−68	296	41	231
1967	5,383	3,118	3,118	—	−345	−33	2,144	219	279
1968	4,573	2,798	2,798	—	−223	−27	1,462	251	311
1969	3,010	2,499	2,499	—	−574	−1	446	238	402
1970	4,829	2,041	1,956	85	368	4	1,155	309	952
1971	10,237	4,845	4,175	670	534	188	3,257	508	905
1972	10,938	6,154	5,526	628	736	482	2,134	604	829
1973	6,028	6,120	5,643	477	−1,030	53	−903	376	1,412
1974	3,720	2,553	2,172	381	−496	29	773	280	581
1975	11,506	3,467	2,330	1,137	2,780	614	3,546	165	934
1976	13,329	6,522	4,097	2,424	1,552	873	2,799	60	1,524
1977	12,365	8,987	6,473	2,515	124	409	1,165	371	1,308
1978	9,993	7,956	6,327	1,630	−979	484	45	42	2,444
1979	5,285	5,687	3,888	1,799	−649	−623	−839	−47	1,756

NOTE: Data represent net changes in asset classifications shown. See note to Table 1. 1979 data for GNMAs include other types of mortgage-backed securities.
SOURCE: FDIC and NAMSB.

Table 44

Net Flow of Investment Funds from Mutual Savings Banks, Monthly, 1972-1980

(in millions of dollars)

Year	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
						Total assets							
1972	1,060	1,283	1,344	754	1,012	1,036	891	732	734	490	714	889	10,938
1973	1,040	944	942	476	905	778	54	28	−19	−213	434	659	6,028
1974	432	794	999	−15	281	333	6	−277	37	−107	496	741	3,720
1975	580	1,245	1,670	776	1,431	1,499	958	544	389	446	983	984	11,506
1976	1,269	1,495	1,705	944	1,000	966	1,024	745	842	1,041	930	1,366	13,329
1977	1,094	1,400	1,594	595	1,097	1,185	1,259	778	851	875	695	941	12,365
1978	758	1,017	1,434	356	819	973	1,140	894	874	733	592	403	9,993
1979	718	1,186	1,788	−297	150	495	762	813	6	−342	8	−3	5,285
1980	−153	737	837	259	954								
						Mortgage loans							
1972	274	260	430	352	454	666	381	554	494	472	518	672	5,526
1973	458	331	568	506	562	649	557	494	321	334	392	471	5,643
1974	209	207	310	285	303	248	260	183	65	45	79	−22	2,172
1975	65	101	69	132	181	323	334	213	119	226	200	365	2,330
1976	87	106	324	309	240	517	323	384	364	398	355	692	4,097
1977	190	157	291	414	388	976	649	719	660	603	565	862	6,473
1978	411	341	554	486	569	641	674	636	516	500	594	405	6,327
1979	395	268	316	150	339	522	490	395	300	286	300	126	3,888
1980	32	73	−69	−106	97								
						GNMA-guaranteed mortgage-backed securities							
1972	52	44	75	59	87	47	30	25	11	30	52	112	628
1973	47	46	127	−4	56	128	36	18	−14	−11	−6	54	477
1974	34	13	41	51	6	60	−12	13	11	43	12	109	381
1975	71	129	131	118	144	96	108	70	17	93	54	104	1,137
1976	94	131	355	238	209	213	189	165	183	165	103	380	2,424
1977	349	260	336	116	91	10	229	263	263	110	93	396	2,515
1978	334	149	69	58	112	203	138	101	199	19	59	187	1,630
1979	208	262	177	342	158	45	47	65	80	189	32	194	1,799
1980	139	181	358	212	251								
						U.S. Government and federal agency securities							
1972	−36	92	163	125	47	−83	14	−49	131	91	21	220	736
1973	4	6	−48	−25	−25	−136	−174	−238	−200	−88	−128	24	−1,030
1974	−58	−72	10	−22	−140	−51	−73	−121	−25	−15	7	63	−496
1975	50	137	409	576	221	275	287	200	63	85	237	241	2,780
1976	280	392	378	171	157	−37	−61	148	138	−131	106	11	1,552
1977	175	248	340	67	−110	−182	−62	−183	−34	−16	−42	−77	124
1978	−104	−49	21	−30	−223	−167	−13	−113	28	−90	−103	−161	−979
1979	−119	−64	73	7	−45	−153	−22	−69	−31	−140	20	−104	−649
1980	−272	39	193	−81	−21								
						State and municipal securities							
1972	43	26	55	33	50	30	47	111	35	22	26	3	482
1973	61	51	42	52	−4	49	−32	−95	−42	−18	−14	1	53
1974	10	6	−8	17	−32	−14	5	−6	−3	−5	6	54	29
1975	37	50	78	26	16	103	197	15	44	27	28	−6	614
1976	36	184	102	283	169	20	38	23	−41	70	37	−49	873
1977	−122	71	65	73	35	5	50	167	15	29	1	19	409
1978	38	−78	43	64	79	14	18	72	82	10	117	26	484
1979	−5	−161	−41	−20	−62	−101	−27	−4	1	−50	−80	−73	−623
1980	−43	−42	−29	−33	−65								

(continued)

Table 44 (continued)

Net Flow of Investment Funds from Mutual Savings Banks, Monthly, 1972-1980

(in millions of dollars)

Year	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Corporate and other bonds							
1972	311	473	385	322	247	202	181	158	6	−191	24	16	2,134
1973	158	30	34	−20	−93	−103	52	−262	−319	−352	−95	67	−903
1974	189	219	271	33	27	62	21	−29	−83	−94	7	151	773
1975	292	254	675	381	384	624	325	65	−43	−11	234	367	3,546
1976	289	347	494	331	216	116	336	73	−29	248	98	279	2,799
1977	212	255	415	143	32	−128	127	−1	−58	−59	27	199	1,165
1978	−4	70	152	120	−9	34	24	−64	−187	12	−36	−67	45
1979	56	43	102	−216	−82	−47	−185	−92	−68	−22	−188	−140	−839
1980	−84	61	60	123	182								
						Corporate stock							
1972	53	75	55	71	67	53	74	39	54	68	26	−31	604
1973	55	47	46	68	67	27	43	−80	−37	−6	46	99	376
1974	43	62	61	49	10	17	17	−1	−7	−10	12	28	280
1975	33	8	20	24	32	26	7	15	−16	−4	22	−2	165
1976	−4	−16	21	5	18	−2	30	−2	−61	24	19	28	60
1977	29	29	13	32	44	50	27	43	52	11	38	4	371
1978	9	26	57	26	19	−54	2	−31	−35	3	40	−21	42
1979	8	22	12	20	18	−16	31	−25	−61	−38	−15	−3	−47
1980	−28	−163	−148	−26	10								
						Cash and other assets							
1972	364	313	181	−208	59	121	163	−107	2	−3	47	−103	829
1973	257	433	173	−102	342	162	−428	191	272	−72	239	−57	1,412
1974	6	360	314	−427	107	11	−213	−316	78	−70	373	359	581
1975	32	567	287	−482	453	53	−298	−34	204	31	207	−86	934
1976	487	351	31	−392	−9	139	170	−46	288	268	212	25	1,524
1977	262	381	134	−249	615	453	239	−231	−45	197	13	−462	1,308
1978	74	558	540	−369	271	303	270	293	271	278	−79	33	2,444
1979	175	816	1,149	−580	−175	246	427	543	−216	−567	−60	−4	1,756
1980	104	588	471	170	499								

NOTE: Data represent net changes in asset classifications shown. Data for April 1979 are estimates which reflect changes in FDIC reporting procedures. See note to Table 1. Beginning in April 1979, GNMA data include other types of mortgage-backed securities.
SOURCE: NAMSB.

Table 45

Gross Flow of Funds Through Mutual Savings Banks, 1973-1979

(in millions of dollars)

Item	1973	1974	1975	1976	1977	1978	1979
Inflow:							
Amounts deposited	47,522	46,187	53,125	62,429	73,306	91,967	122,026
Interest on deposits	5,139	5,620	6,165	6,970	7,757	8,524	9,876
Mortgage repayments	7,641	6,568	7,067	7,814	10,054	10,601	9,992
Retained earnings	561	377	441	577	779	894	741
U.S. Governments	557	382	−2,185	−1,050	−55	977	649
All other sources	—	—	—	—	—	—	—
TOTAL INFLOW	61,420	59,134	64,613	76,741	91,840	112,963	143,284
Outflow:							
Withdrawals	47,964	49,010	48,369	57,147	70,431	92,558	128,987
Mortgage loans acquired	13,283	8,740	9,396	11,912	16,527	16,928	14,255
Net security investments							
State and municipal	53	29	614	873	409	484	−623
Corporate and other	−523	1,320	5,443	5,785	4,120	1,715	−886
All other uses	643	35	791	1,025	353	1,278	1,551
TOTAL OUTFLOW	61,420	59,134	64,613	76,741	91,840	112,963	143,284

NOTE: Amounts deposited and withdrawn exclude school, club and other special-purpose accounts. Beginning in 1979 federal agency obligations are included in U.S. Governments rather than corporate and other securities. Therefore these two categories are not comparable with previous years.
SOURCE: NAMSB.

Table 46

Ratios of Liquid Assets and Borrowings to Deposits of Mutual Savings Banks, Monthly, 1973-1980

(per cent of total deposits)

Year	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
					Cash and investments maturing within 1 year							
1973	n.a.	5.64	5.63	5.52	5.85	5.76	5.39	5.58	5.67	5.33	5.44	5.37
1974	5.35	5.67	5.92	5.39	5.31	5.13	4.89	4.45	4.50	4.35	4.62	5.09
1975	5.06	5.63	6.05	5.50	5.81	5.75	5.43	5.26	5.33	5.38	5.70	5.60
1976	6.13	6.26	6.18	5.82	5.90	5.87	6.00	5.95	5.97	6.09	6.23	6.25
1977	6.40	6.59	6.70	6.44	6.67	6.84	6.82	6.46	6.11	6.25	6.24	5.61
1978	5.66	6.01	6.27	5.97	5.99	6.03	6.28	6.26	6.29	6.45	6.41	6.46
1979	6.58	7.18	7.89	7.29	6.97	6.91	7.18	7.25	7.03	6.82	6.68	6.55
1980	6.58	6.92	7.28	7.50	7.74							
					Cash and investments maturing within 5 years							
1973	n.a.	10.67	9.80	9.76	10.04	9.72	9.31	9.24	9.39	9.05	8.98	8.84
1974	8.78	9.22	9.39	8.94	8.70	8.65	8.53	8.00	8.06	7.80	8.11	8.72
1975	8.90	9.36	10.02	9.67	10.29	10.45	10.25	10.29	10.32	10.46	10.76	10.75
1976	11.48	11.82	11.69	11.69	11.58	11.45	11.29	11.36	11.52	11.51	11.68	11.19
1977	11.60	12.03	12.18	11.82	11.85	12.16	12.15	11.83	11.44	11.38	11.45	10.80
1978	10.99	11.28	11.58	11.25	11.26	11.21	11.48	11.40	11.37	11.48	11.35	11.19
1979	11.35	11.72	12.50	11.97	11.58	11.48	11.75	11.68	11.56	11.35	11.22	11.05
1980	10.97	11.22	11.66	11.94	12.12							
					Borrowings and mortgage warehousing							
1973	n.a.	.10	.12	.15	.14	.23	.34	.50	.52	.55	.47	.42
1974	.40	.34	.33	.40	.48	.52	.68	.79	.89	.85	.77	.83
1975	.76	.66	.51	.44	.47	.38	.41	.42	.49	.50	.49	.50
1976	.45	.47	.44	.48	.39	.39	.34	.35	.32	.29	.27	.33
1977	.27	.26	.31	.39	.28	.29	.32	.31	.37	.47	.45	.46
1978	.59	.60	.63	.77	.82	.81	.95	1.00	.99	1.08	1.15	1.12
1979	1.20	1.24	1.31	1.59	1.47	1.46	1.95	2.11	2.17	2.44	2.52	2.50
1980	2.83	3.00	3.09	3.46	3.43							
					Cash and due in 1 year less borrowings							
1973	n.a.	5.54	5.51	5.37	5.71	5.53	5.05	5.08	5.15	4.78	4.97	4.95
1974	4.95	5.33	5.59	4.99	4.83	4.61	4.21	3.66	3.61	3.50	3.85	4.26
1975	4.30	4.97	5.54	5.06	5.34	5.37	5.02	4.84	4.84	4.88	5.21	5.10
1976	5.68	5.81	5.74	5.34	5.51	5.48	5.66	5.60	5.65	5.80	5.96	5.92
1977	6.13	6.33	6.39	6.05	6.39	6.55	6.50	6.15	5.74	5.78	5.79	5.15
1978	5.07	5.41	5.64	5.20	5.17	5.22	5.33	5.26	5.30	5.37	5.26	5.34
1979	5.38	5.94	6.58	5.70	5.50	5.45	5.23	5.14	4.86	4.38	4.16	4.05
1980	3.75	3.92	4.19	4.04	4.31							

n.a. — not available.

NOTE: Data are outstandings at month-end. Figures on borrowings and mortgage warehousing exclude additional credit arrangements involving mortgage purchase techniques not reported under NAMSB statistical procedures. Investments maturing within 5 years include investments maturing within 1 year.

See note to Table 2.

SOURCE: NAMSB.

IV—Income and Expenses of Mutual Savings Banks

As mutual institutions, savings banks pass on all earnings after expenses and taxes to depositors as interest, except for necessary additions to protective reserves. In 1979, depositors received 74.2% of the total income earned by mutual savings banks, while expenses, taxes and net realized losses on asset transactions absorbed 20.3%. Only 5.6% was retained and added to reserves. The main source of savings bank income is from interest received on mortgage loans—60% of the total in 1979. Interest and dividends on securities provided an additional 29%.

Over the long term, the dollar amount of gross operating income has advanced steadily, owing to continued asset growth coupled with increased asset yield. Operating expenses, taxes and interest to depositors have also risen. Retained earnings, on the other hand, have traced an irregular trend, both in dollar amount and in relation to income and assets.

Recent Earnings Pressures

In 1979 and early 1980, savings bank net income positions came under severe pressure as deposit interest costs soared. The 1979 increase in interest costs was the largest on record reflecting: (1) skyrocketing rates on six-month money market certificates; (2) heavy internal transfers by depositors from lower rate accounts to the high-cost MMCs; and (3) regulatory changes which increased ceiling rates on passbook savings and short-term, fixed rate time accounts. As a result, "bottom line" net income of mutual savings banks fell sharply in 1979 to 7% of net operating income after expenses and taxes and to .46% of average assets, from 9.4% and .58%, respectively, a year earlier.

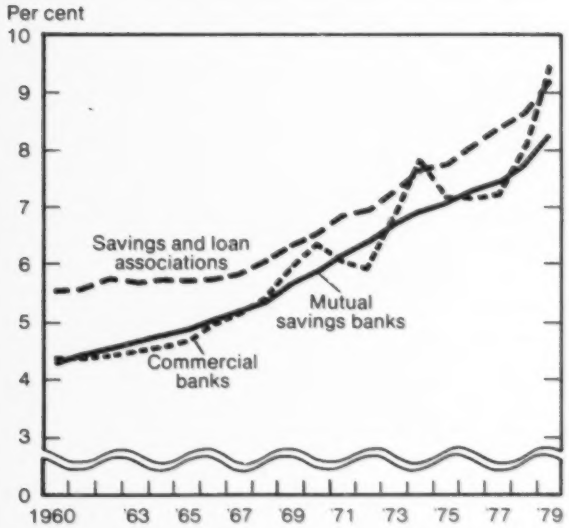
Underlying the year-to-year decline was a more rapid increase in deposit interest costs, particularly on six-month money market certificates, than in asset yields. Thus, effective interest rates on MMCs increased by 114 basis points and by 24 basis points on total deposits, from the first half to the second half of 1979. This compares with a gain of only 12 basis points in the gross rate of return on assets.

In addition to rising interest costs, occasionally rapid increases in operating expenses and taxes during the 1970s have also contributed to savings bank difficulties in strengthening net income positions. This has partly reflected: (1) the continuing impact of inflation on employee compensation and other operating costs; (2) changes in the Tax Reform Act of 1969 which increased the industry's federal tax liabilities; and (3) sharp increases in state taxes.

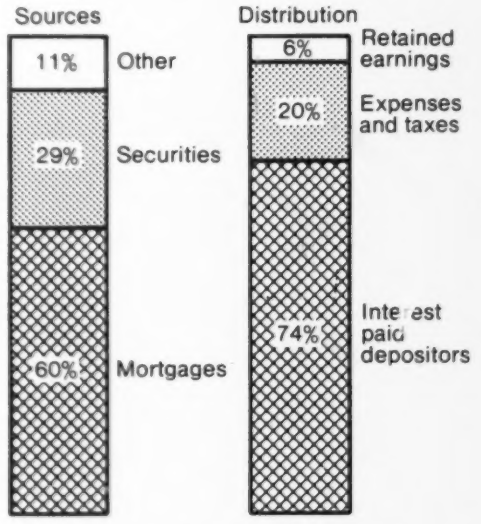
Thrift institutions are permitted, under certain circumstances, to pay higher ceiling rates than commercial banks on consumer-type time and savings deposits. However, these differences have been narrowed by federal regulatory actions and, in some cases, eliminated entirely for some types of accounts. For example, ceiling rates on six-month money market certificates when Treasury bill rates reach 9% or more, were made identical for commercial banks and thrift institutions in March 1979.

The industry's competitive position in six-month MMC markets was weakened still further in May 1980 when the six-month Treasury rate triggering the differential was changed to a range of 7.26% to 8.74%, and the full 25 basis point differential was allowed only in the narrower range of 7.5% to 8.5%. In addition, minimum ceiling rates of 7.75% were established for both thrifts and commercial banks.

Rates of Return on Total Assets Held by Selected Types of Financial Institutions 1960-1979



Sources and Distribution of Savings Bank Income in 1979 (In per cent)



NOTE: Securities include mortgage-backed certificates.

Table 47

Income and Expenses of Mutual Savings Banks, 1961-1979

(in millions of dollars)

Year	Total operating income	Total operating expenses and taxes	Net operating income after expenses and taxes	Interest	Net operating income after expenses, taxes and interest	Net realized losses on asset transactions	Retained earnings	Retained earnings as per cent of total assets
1961	1,835.1	297.8	1,537.3	1,326.3	211.0	.4	210.6	.51
1962	2,022.3	313.7	1,708.6	1,530.5	178.1	6.0†	184.1	.41
1963	2,240.7	344.1	1,896.6	1,700.0	196.6	13.5†	210.1	.44
1964	2,484.9	366.3	2,118.6	1,895.1	223.5	5.4†	228.9	.44
1965	2,745.1	394.7	2,350.4	2,076.0	274.4	18.1	256.3	.46
1966	2,990.9	429.3	2,561.6	2,383.0	178.6	16.0†	194.6	.33
1967	3,301.5	454.1	2,847.4	2,712.8	134.6	6.2	128.4	.20
1968	3,701.5	505.9	3,195.6	2,967.0	228.5	26.2†	254.7	.37
1969	4,110.5	580.8	3,529.6	3,218.9	310.7	56.1	254.6	.35
1970	4,487.3	685.1	3,802.3	3,451.8	350.5	142.8	207.7	.27
1971	5,221.9	810.8	4,411.0	3,936.3	474.7	66.7	408.0	.48
1972	6,081.1	979.5	5,101.6	4,516.7	584.9	15.3	569.6	.60
1973	6,977.5	1,165.5	5,812.0	5,138.9	673.1	112.3	560.8	.54
1974	7,471.4	1,275.2	6,196.3	5,620.4	575.8	198.5	377.4	.35
1975	8,116.7	1,421.6	6,695.1	6,165.2	529.9	88.6	441.3	.38
1976	9,275.6	1,714.8	7,560.8	6,970.4	590.4	13.7	576.6	.45
1977	10,493.5	1,946.4	8,547.2	7,756.7	790.5	11.7	778.8	.55
1978	11,842.2	2,355.1	9,487.1	8,524.4	962.8	69.0	893.8	.58
1979	13,316.1	2,682.9	10,633.2	9,875.9	757.3	16.4	740.9	.46

†Net realized gain.

NOTE: Data for 1971-1978 were compiled on a somewhat different basis than in 1979 and years prior to 1971. The differences are small in most cases, except for net realized losses on asset transactions.

SOURCE: NAMSB.

Table 48

Retained Earnings as Per Cent of Total Assets Held by Selected Types of Financial Institutions 1961-1979

Year	Mutual savings banks	Commercial banks	Savings and loan associations
1961	.51	.79	.97
1962	.41	.73	.97
1963	.44	.72	.69
1964	.44	.70	.72
1965	.46	.70	.67
1966	.33	.69	.50
1967	.20	.74	.46
1968	.37	.72	.60
1969	.35	.84	.68
1970	.27	.89	.57
1971	.48	.87	.71
1972	.60	.83	.77
1973	.54	.85	.76
1974	.35	.81	.54
1975	.38	.78	.47
1976	.45	.70	.64
1977	.55	.71	.79
1978	.58	.77	.84
1979p	.46	.81	.69

p — preliminary.

NOTE: Data represent retained earnings after all expenses, taxes and dividends paid depositors as percent of average assets. Data for commercial banks are for FDIC-insured institutions and since 1976 are based on consolidated (including foreign) reports of income. Data for savings and loan associations are for all associations since 1976 and FSLIC-insured institutions for prior years.

SOURCE: FDIC, FHLBB, NAMSB and USLSA.

Table 49

Rates of Return on Assets Held by Mutual Savings Banks, 1961-1979

(in per cent)

Year	Total assets	Mortgages	Securities
1961	4.41	4.89	3.62
1962	4.56	5.02	3.76
1963	4.68	5.13	3.83
1964	4.79	5.18	3.96
1965	4.89	5.22	4.07
1966	5.03	5.30	4.29
1967	5.18	5.41	4.53
1968	5.38	5.56	4.94
1969	5.65	5.77	5.37
1970	5.88	5.97	5.64
1971	6.18	6.26	6.15
1972	6.39	6.53	6.35
1973	6.70	6.77	6.48
1974	6.92	6.98	6.67
1975	7.02	7.16	7.05
1976	7.23	7.38	7.41
1977	7.43	7.61	7.54
1978	7.73	7.92	7.64
1979	8.26	8.26	7.93

NOTE: Data represent operating income as a percentage of average holdings of total assets, mortgages and securities. Mortgage income is net, after deduction of servicing fees. Total reflects assets other than mortgages and securities. See note to Table 47.

SOURCE: NAMSB.

Table 50

Income and Expenses of Mutual Savings Banks, by States, 1979

(in millions of dollars)

Item	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	Me.	N.H.	R.I.	Md.	All other states
Total operating income	13,316	6,852	1,907	1,239	1,074	743	414	226	231	151	145	334
Interest and dividends on securities	3,846	2,260	525	197	435	210	34	38	39	24	26	59
U.S. Government and agency obligations	1,486†	879	n.a.	60	111	129	19	19	19	16	16	25
Other securities	2,359†	1,381	n.a.	137	324	80	15	18	20	8	10	33
Net interest and discount on loans	9,043	4,397	1,344	999	611	478	362	182	185	117	105	263
Mortgage loans	8,045†	3,975	n.a.	862	543	421	319	156	156	101	82	235
Other loans	999†	422	n.a.	137	68	57	42	26	29	16	23	28
Other operating income	427	195	39	43	28	55	19	6	7	9	14	12
Operating expenses and taxes	2,683	1,264	449	268	169	151	115	52	53	36	39	86
Net operating income after expenses and taxes	10,633	5,588	1,458	971	905	592	300	174	177	114	106	248
Interest paid depositors	9,876	5,324	1,309	866	833	545	270	154	155	100	93	227
Net operating income after expenses, taxes and interest	757	263	149	105	72	46	30	21	22	15	13	21
Net realized gains or losses on assets	−16	8	−48	30	−3	1	−2	−1	*	*	*	−1
Retained earnings	741	272	101	135	69	47	28	19	22	14	13	20

n.a. — not available.
*Less than $500,000.
†Partly estimated; separate data for Massachusetts are not available.
NOTE: See note to Table 47.
SOURCE: NAMSB.

Table 51

Income and Expense Ratios for Mutual Savings Banks, by States, 1979

(in per cent)

Item	Total	New York	Mass.	Conn.	Pa.	N.J.	Wash.	Me.	N.H.	R.I.	Md.	All other states
Ratios to total assets:												
Total operating income	8.26	8.00	8.46	8.76	8.26	8.34	9.43	8.84	8.91	8.75	8.39	8.51
Total operating expenses and taxes	1.66	1.48	1.99	1.89	1.30	1.70	2.61	2.02	2.06	2.11	2.26	2.19
Interest paid depositors	6.13	6.22	5.80	6.13	6.40	6.13	6.14	6.02	6.01	5.79	5.38	5.79
Net operating income after expenses, taxes and interest	.47	.31	.66	.74	.56	.52	.68	.80	.85	.85	.75	.54
Retained earnings	.46	.32	.45	.96	.53	.53	.64	.75	.85	.84	.75	.50
Ratios to total deposits:												
Interest paid depositors	6.80	6.88	6.36	6.86	7.05	6.75	7.07	6.74	6.85	6.47	6.14	6.68
Retained earnings	.51	.35	.49	1.07	.59	.58	.74	.84	.97	.94	.85	.58
Ratios to securities held:												
Interest on U.S. Government and agency securities	8.09†	8.02	n.a.	8.32	8.66	8.13	7.71	8.37	7.76	7.80	8.19	8.18
Interest and dividends on other securities	7.83†	7.83	n.a.	7.90	7.97	7.47	7.55	7.66	8.00	7.35	7.26	7.41
Interest and dividends on total securities	7.93†	7.91	n.a.	8.02	8.13	7.87	7.64	8.01	7.88	7.65	7.81	7.73
Ratio to mortgage loans:												
Net interest and discount on mortgage loans	8.26†	7.97	n.a.	8.78	8.37	8.27	9.60	8.96	9.13	8.66	8.16	8.58

n.a. — not available.
†Ratio computed on basis of data from states other than Massachusetts.
NOTE: Ratios are computed from data in Table 50 and average asset and liability figures. See note to Table 47.
SOURCE: NAMSB.

Income and Expenses

Table 52

Income and Expense Ratios for Mutual Savings Banks, by Deposit Size, 1979

(in per cent)

Item	Total	Deposit size (in millions of dollars) Less than 25.0	25.0 to 49.9	50.0 to 99.9	100.0 to 249.9	250.0 to 499.9	500.0 to 999.9	1,000.0 to 1,999.9	2,000.0 or more
Ratios to total assets:									
Total operating income	8.26	8.52	8.57	8.64	8.52	8.47	8.11	8.21	8.01
Total operating expenses and taxes	1.66	2.04	1.97	1.90	1.91	1.78	1.66	1.62	1.41
Interest paid depositors	6.13	5.67	5.76	5.99	5.95	6.08	6.00	6.20	6.31
Net operating income after expenses, taxes and interest	.47	.81	.84	.75	.66	.61	.45	.39	.28
Retained earnings	.46	.68	.70	.71	.58	.49	.43	.45	.32
Ratios to total deposits:									
Interest paid depositors	6.80	6.23	6.34	6.57	6.60	6.72	6.71	6.91	7.00
Retained earnings	.51	.75	.77	.78	.65	.54	.48	.51	.35
Ratios to securities held:									
Interest on U.S. Government and agency securities†	8.09	7.88	7.79	8.08	8.02	7.95	8.00	8.20	8.10
Interest and dividends on other securities†	7.83	8.64	8.00	7.99	7.99	7.96	7.59	7.95	7.76
Interest and dividends on total securities†	7.93	8.25	7.91	8.03	8.00	7.95	7.77	8.05	7.86
Ratio to mortgage loans:									
Net interest and discount on mortgage loans†	8.26	8.70	8.82	8.52	8.69	8.54	8.11	8.17	7.97

†Ratios are computed on basis of data from states other than Massachusetts.

SOURCE: NAMSB

Table 53

Rates of Return on Assets Held by Mutual Savings Banks, by States, Selected Years, 1960-1979

(in per cent)

Year	Total	New York	Mass	Conn	Pa.	N.J.	Wash.	Me.	N.H.	R.I.	Md.
Total Assets											
1960	4.25	4.28	4.18	4.38	4.07	4.17	4.32	4.16	4.35	4.53	3.99
1965	4.89	4.93	4.76	5.02	4.63	4.76	5.22	4.85	5.08	5.12	4.98
1970	5.88	5.79	6.09	6.26	5.50	5.82	6.42	6.10	6.21	5.97	5.74
1975	7.02	6.89	7.13	7.30	6.99	7.07	7.58	7.42	7.41	7.21	6.95
1978	7.73	7.56	7.82	8.06	7.71	7.70	8.89	8.27	8.20	8.07	7.83
1979	8.26	8.00	8.46	8.76	8.26	8.34	9.43	8.84	8.91	8.75	8.39
Mortgages											
1960	4.75	4.71	4.77	4.88	4.86	4.88	5.14	4.91	4.82	4.85	4.63
1965	5.22	5.19	5.04	5.30	5.23	5.26	5.79	5.34	5.36	5.32	5.45
1970	5.97	5.89	6.08	6.38	5.75	6.01	6.80	6.31	6.26	6.08	5.85
1975	7.16	7.00	7.32	7.59	7.11	7.32	7.83	7.77	7.71	7.51	7.17
1978	7.92	7.66	8.29	8.33	7.98	7.98	9.22	8.55	8.59	8.24	7.99
1979	8.26	7.97	8.40	8.78	8.37	8.27	9.60	8.96	9.13	8.66	8.16
Securities											
1960	3.49	3.45	3.56	3.64	3.50	3.28	3.03	3.60	3.76	4.25	2.88
1965	4.07	3.97	4.37	4.32	3.74	3.78	3.68	4.24	4.47	4.86	3.97
1970	5.64	5.50	6.33	5.71	5.17	5.64	5.45	5.70	5.63	5.11	5.05
1975	7.05	7.09	n.a.	6.71	7.23	7.09	7.09	6.85	6.85	6.70	6.00
1978	7.64	7.68	n.a.	7.22	7.77	7.68	7.49	7.44	7.51	7.27	6.89
1979	7.93	7.91	n.a.	8.02	8.13	7.87	7.64	8.01	7.88	7.65	7.81

n.a. — not available.

NOTE: Total includes data for states not shown separately. Data on mortgages include other loans for Massachusetts. See note to Table 49.

SOURCE: NAMSB.

Table 54

Average Annual Rate of Interest Paid on Deposits in Mutual Savings Banks, by States, Selected Years, 1960-1979

(in per cent)

Year	Total	New York	Mass	Conn	Pa	N J	Wash	Me	N H	R I	Md
1960	3 47	3 53	3 43	3 43	3 37	3 14	3 39	3 32	3 64	3 40	3 06
1965	4 11	4 18	4 06	3 90	3 97	3 86	4 22	3 88	4 18	4 16	3 83
1966	4 45	4 62	4 28	4 16	4 14	4 15	4 60	4 13	4 45	4 23	3 98
1967	4 74	4 95	4 46	4 43	4 27	4 46	4 94	4 31	4 64	4 33	4 31
1968	4 76	4 91	4 62	4 56	4 30	4 43	4 98	4 48	4 78	4 34	4 32
1969	4 89	4 92	4 99	4 94	4 65	4 50	4 96	4 97	4 91	4 55	4 45
1970	5 01	4 96	5 21	5 03	5 00	4 98	5 03	4 99	5 28	4 73	4 65
1971	5 14	5 10	5 34	5 10	5 11	5 13	5 13	5 06	5 18	4 83	4 83
1972	5 23	5 21	5 37	5 22	5 20	5 20	5 19	5 12	5 23	4 81	4 86
1973	5 45	5 43	5 57	5 43	5 50	5 37	5 47	5 34	5 48	4 98	5 15
1974	5 76	5 79	5 66	5 76	5 89	5 64	5 99	5 63	5 84	5 37	5 33
1975	5 89	5 93	5 73	5 89	6 05	5 76	6 07	5 78	5 95	5 65	5 35
1976	5 98	6 03	5 82	5 96	6 15	5 83	6 05	5 85	6 04	5 76	5 40
1977	6 03	6 08	5 89	6 02	6 23	5 84	6 06	5 95	6 09	5 77	5 42
1978	6 14	6 20	5 92	6 15	6 36	5 93	6 23	6 07	6 20	5 87	5 57
1979	6 80	6 88	6 36	6 86	7 05	6 75	7 07	6 74	6 85	6 47	6 14

NOTE Total includes data for states not shown separately Data represent ratios of interest paid to average total deposits
SOURCE NAMSB

Table 55

Retained Earnings as Per Cent of Total Assets in Mutual Savings Banks, by States, 1960-1979

Year	Total	New York	Mass	Conn	Pa	N J	Wash	Me	N H	R I	Md
1960	37	34	39	65	37	41	44	44	42	43	19
1961	51	52	50	55	26	55	59	57	66	54	19
1962	41	42	56	43	14	41	56	40	56	33	01
1963	44	46	44	51	14	33	56	43	51	81	18
1964	44	46	42	54	19	38	54	57	59	25	25
1965	46	48	43	66	12	45	47	61	44	27	17
1966	33	15	28	40	*	30	29	50	42	*	23
1967	20	10	29	42	21	30	51	44	48	59	59
1968	37	33	34	66	29	34	60	66	57	60	33
1969	35	28	41	60	19	52	59	40	60	51	39
1970	27	19	44	50	18	22	52	56	44	34	14
1971	48	44	55	59	46	44	71	72	67	54	43
1972	60	55	70	69	49	60	84	74	81	96	47
1973	54	49	59	67	53	67	63	71	86	60	40
1974	35	27	39	56	35	52	38	68	67	62	45
1975	38	28	52	59	34	50	50	68	59	50	61
1976	45	38	48	47	50	65	72	81	69	61	77
1977	55	44	58	77	60	71	97	82	87	75	87
1978	58	50	56	64	69	72	99	88	92	79	75
1979	46	32	45	96	53	53	64	75	85	84	75

*Data comparable with other periods are not available for this year due to transfers from valuation reserves to income The industry total for the year reflects these adjustments
NOTE Data are retained earnings as per cent of average total assets
See note to Table 47
SOURCE NAMSB

Table 56

Federal Deposit Interest Rate Ceilings on Consumer Type Savings and Time Deposits, by Selected Types of Financial Institutions, Selected Periods, 1966-1979

(in per cent)

Type of account	September 26, 1966			January 1, 1970			July 5, 1973			June 1, 1978			July 1, 1979		
	Mutual savings banks	Commercial banks	Savings and loan assns	Mutual savings banks	Commercial banks	Savings and loan assns	Mutual savings banks	Commercial banks	Savings and loan assns	Mutual savings banks	Commercial banks	Savings and loan assns	Mutual savings banks	Commercial banks	Savings and loan assns
Ordinary savings deposits	5.00[4]	4.00	4.75	5.00[5]	4.50	5.00	5.25	5.00	5.25	5.25	5.00	5.25	5.50	5.25	5.50
Time deposits, by maturity[1]															
All maturities	5.00														
3 months or more		5.00													
6 months[2]										[8]	[8]	[8]	[8]	[8]	[8]
6 months or more			5.25												
90 days-1 year (including special notice accounts)				5.25[6]	5.00	5.25	5.75	5.50	5.75	5.75	5.50	5.75	5.75	5.50	5.75
1-2 year maturities				5.75	5.50	5.75									
2-2½ year maturities				6.00	5.75	6.00									
1 year-2½ years							6.50	6.00	6.50	6.50	6.00	6.50	6.50	6.00	6.50
2½ years or more				6.00	5.75	6.00	6.75	6.50	6.75	6.75	6.50	6.75	6.75	6.50	6.75
4 years or more													[9]	[9]	[9]
4-6 years[3]							7.50	7.25	7.50	7.50	7.25	7.50	7.50	7.25	7.50
6-8 years[3]										7.75[7]	7.50[7]	7.75[7]	7.75	7.50	7.75
8 years or more[3]										8.00	7.75	8.00	8.00	7.75	8.00

1. Minimum denomination of less than $100,000
2. Minimum denominations of $10,000
3. Minimum denominations of $1,000 effective from July 5, 1973 to June 30, 1979. Ceiling effective November 1, 1973 on 4-year or more deposits. No ceiling from July 5, 1973 to October 31, 1973.
4. Effective October 1, 1966.
5. 5¼% in Massachusetts effective October 29, 1970.
6. 5½% in Massachusetts effective October 29, 1970.
7. Effective December 23, 1974.
8. Ceiling rates for mutual savings banks and savings and loan associations were equal to the weekly auction discount rate on 6-month Treasury bills plus 25 basis points from June 1, 1978 to March 14, 1979. Ceiling rates for commercial banks were at the 6-month Treasury bill rate. Effective March 15, 1979: (1) the 25 basis point differential in ceiling rates between thrift institutions and commercial banks was eliminated when the 6-month Treasury bill auction rate is 9% or more, and (2) compounding of interest was prohibited for all types of institutions.
9. Ceiling rates were 1% below the yield on 4-year Treasury obligations for mutual savings banks and savings and loan associations, and 1¼% below for commercial banks. The rate was set at the beginning of each month. This certificate was discontinued as of January 1, 1980.

NOTE: Data refer to savings and time deposits at FDIC-insured savings banks and commercial banks, and member savings and loan associations of the Federal Home Loan Bank System. Deposits at thrift institutions and commercial banks during the periods covered in this table were subject to limitations and exceptions at various times with regard to minimum balances, ceiling rates and geographic areas. With respect to recent developments concerning Individual Retirement and Keogh accounts: (1) effective July 6, 1977, ceiling rate differentials were eliminated between commercial banks and thrift institutions on these accounts with a maturity of three years or more, resulting in a uniform rate of 7¾%; and (2) effective June 1, 1978, a maximum rate of 8% was authorized on all IRA and Keogh accounts.

SOURCE: FDIC, FHLBB and FRB.

Table 57
Federal Deposit Interest Rate Ceilings on Consumer Type Savings and Time Deposits, by Selected Types of Financial Institutions, Selected Periods, 1980

(in per cent)

Type of account	January 1, 1980			May 28, 1980		
	Mutual savings banks	Commercial banks	Savings and loan assns	Mutual savings banks	Commercial banks	Savings and loan assns
Ordinary savings deposits	5.50	5.25	5.50	5.50	5.25	5.50
Time deposits, by maturity[1]						
6 months, $10,000 minimum	[2]	[2]	[2]	[3]	[3]	[3]
90-days-one year including special notice accounts)	6.00	5.75	6.00	6.00	5.75	6.00
1 year-2½ years	6.50	6.00	6.50	6.50	6.00	6.50
2½ years or more	[4]	[4]	[4]	[4]	[4]	[4]
2½-4 years	6.75	6.50	6.75	6.75	6.50	6.75
4-6 years	7.50	7.25	7.50	7.50	7.25	7.50
6-8 years	7.75	7.50	7.75	7.75	7.50	7.75
8 years or more	8.00	7.75	8.00	8.00	7.75	8.00

NOTE: See note to Table 56 for regulations governing ceiling rates prior to January 1, 1980.

1. Minimum denominations of less than $100,000.
2. See note 9 on Table 56.
3. On May 28, 1980 new regulations provided that all institutions could pay: (1) at least ¼% more than the 6-month Treasury bill rate; (2) the same ceiling rate when the Treasury bill rate is 8¾% or higher; (3) a minimum ceiling rate of 7¾%. A differential favoring thrift institutions would be in effect when the 6-month Treasury bill rate is between 7¼% and 8¾%. For a 6-month period, commercial banks would be permitted to renew maturing 6-month CDs with the same depository institutions at a rate equal to the ceiling rate for thrift institutions.
4. Effective January 1, 1980 a 2½-year certificate was authorized with ceiling rates ½% below the yield on 2½-year Treasury obligations for mutual savings banks and savings and loan associations, and ¾% below for commercial banks. Effective March 1, 1980 a cap on ceiling rates was imposed on the 2½-year certificate. This consisted of: (1) the lower of 12% or the rate determined by 2½-year Treasury yields under the earlier formula for thrifts; and (2) an 11¾% cap on ceiling rates for commercial banks. On May 28, 1980 maximum ceiling rates were set at levels equal to 2½-year Treasury yields for thrift institutions, and ¼% below, for commercial banks. In addition, a minimum ceiling of 9.5% was set for thrift institutions and 9¼% for commercial banks. Calculations of ceiling rates on this certificate were shifted from a monthly to a bi-weekly basis.

NOTE: Effective January 1, 1980 commercial banks are permitted to pay the same rate of interest as thrift institutions on all IRA and Keogh accounts invested in 6-month and 2½-year certificates of deposit.
SOURCE: FDIC, FHLBB, FRB.

Table 58
Number of Employees of Mutual Savings Banks, by States, December 31, 1979

State	Number of employees	Deposits per employee (in thousands of dollars)	Number of employees per office
New York	25,366	3,036	28.4
Massachusetts	10,034	2,044	15.5
Connecticut	6,139	2,093	15.3
Pennsylvania	3,618	3,361	18.1
New Jersey	3,747	2,222	19.1
Washington	2,249	1,717	16.2
Maine	1,456	1,621	12.0
New Hampshire	1,375	1,684	19.4
Rhode Island	1,091	1,445	15.2
Maryland	1,069	1,468	16.4
Vermont	500	1,588	16.7
All other states	1,351	1,972	22.1
TOTAL	57,995	2,518	20.0

NOTE: Data cover all active, full time personnel including both officers and other employees. Deposits per employee refer to the dollar amount of deposits divided by the number of employees, while the number of employees per office represents the number of employees divided by the number of offices.
SOURCE: NAMSB.

Table 59
Number of Employees of Mutual Savings Banks, by Deposit Size, December 31, 1979

Deposit size (in millions of dollars)	Number of employees	Deposits per employee (in thousands of dollars)	Number of employees per office
Under 10.0	25	1,486	4.2
10.0-24.9	232	1,666	8.3
25.0-49.9	1,426	1,550	12.7
50.0-99.9	4,902	1,866	12.9
100.0-249.9	10,401	1,949	15.0
250.0-499.9	8,007	2,264	17.8
500.0-999.9	11,551	2,464	22.9
1,000.0-1,999.9	11,492	2,844	26.6
2,000.0 and over	9,959	3,482	34.5
TOTAL	57,995	2,518	20.0

NOTE: See note to Table 58.
SOURCE: NAMSB.

V—Mutual Savings Banks in the Savings Market

As the means of financing capital formation, saving in all its forms is essential to economic growth. The household sector is by far the most important source of saving, generating between 63% and 80% of gross national saving in recent years. While the financial savings of households are allocated among a broad range of investments, the largest portion is held in savings and time accounts at mutual savings banks, savings and loan associations and commercial banks.

In the 1979-80 period of record high interest rates, savings and time deposit flows at mutual savings banks dropped to unprecedented lows before recovering somewhat in the second quarter of 1980, as purchases of U.S. government securities and money market fund shares climbed to record levels, and commercial bank competition intensified. This occurred, moreover, despite the promotion by savings banks of market rate-linked six-month and 2½ year certificates.

The record 1979-80 deterioration in savings flows also reflected the sharply reduced personal saving rate in this period as consumer incentives and ability to save were weakened by mounting inflation. The ratio of personal saving to disposable personal income dropped from a monthly average of 5.0% in the first quarter of 1979 to 3.5% in the fourth quarter. The ratio began to recover in the first and second quarters of 1980, as weakening economic conditions and some reduction in the inflation rate led consumers to adopt a more favorable view toward saving.

As for earlier periods, savings and time deposit flows have been inversely related to investment in direct market instruments. Deposit flows have risen and holdings of direct market investments declined when yields on fixed ceiling rate deposits exceeded those on open-market investments as in 1971-72 and 1975-76. But saving flows have fallen in periods of high interest rates when market yields climbed above deposit rates and households increased their net acquisitions of direct market instruments, as in 1966, 1969 and 1973-74.

Savings Banks in Savings Accounts Markets

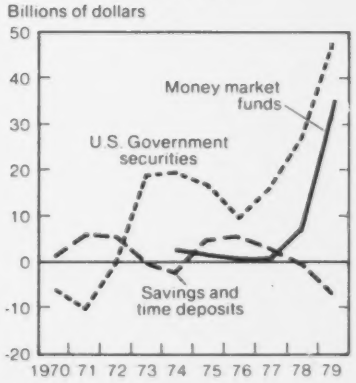
At the end of 1979, mutual savings banks accounted for 12.4% of the total volume of funds held by households in savings accounts (Table 61). While not large on a nationwide basis, savings banks are the leading thrift institutions in many of the states where they are located. In five states—New York, Massachusetts, Connecticut, Maine and New Hampshire—savings banks held more savings at the end of 1979 than either commercial banks or savings and loan associations (Table 62).

Among major depository institutions, thrift institutions and commercial banks show highly contrasting patterns of savings flows. In general, deposit inflows at mutual savings banks and savings and loan associations are similar in their sensitivity to overall business and capital market changes, declining in periods of capital market stringency and accelerating in periods of stable or declining short-term interest rates.

Net inflows at commercial banks, however, have also reflected—in addition to financial market changes—shifts in interest rate ceilings which have altered the competitive balance between commercial banks and thrift institutions.

A major development in this regard has been the March 1980 enactment of the Depository Institutions Deregulation and Monetary Control Act of 1980. Title II of the Act provides for a six year phaseout of deposit interest rate controls under the authority of a newly established Depository Institutions Deregulation Committee. During this period, the differential between thrift institutions and commercial banks must be maintained on all categories of accounts in existence as of December 19, 1975.

Net Deposit Flows, Excluding Interest, in Mutual Savings Banks and Selected Investment Flows of Households 1970-1979



NOTE: Savings bank deposits represent savings and time deposits, excluding interest. See notes to Tables 18 and 60.

Household Savings and Time Deposit Growth at Selected Types of Financial Institutions, 1970-1979

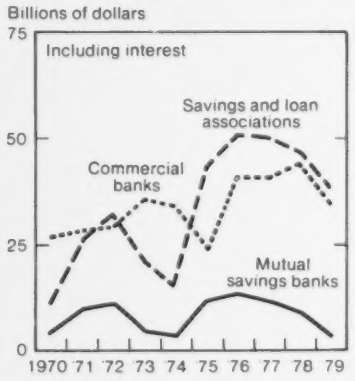


Table 60

Financial Saving by Households, 1972-1979

(in billions of dollars)

Item	1972	1973	1974	1975	1976	1977	1978	1979
Demand deposits and currency	13.7	13.9	7.2	3.9	14.9	22.6	18.2	13.7
Savings accounts	74.5	63.8	55.9	84.0	109.3	109.2	105.2	79.6
Mutual savings banks	10.2	4.7	3.1	11.2	13.0	11.1	8.6	3.2
Commercial banks	29.0	35.3	34.1	24.6	40.2	40.2	44.1	35.0
Savings and loan associations	32.0	20.8	15.6	42.8	50.1	50.0	46.2	38.2
Credit unions	3.3	2.9	3.0	5.5	6.0	7.8	6.4	3.2
Life insurance reserves	6.9	7.6	6.7	8.7	8.4	11.6	12.0	12.2
Pension fund reserves	22.6	25.4	29.6	34.9	44.2	53.7	65.8	67.7
Direct market instruments	1.3	19.4	33.0	29.1	14.6	9.1	29.6	78.0
U.S. Government securities	-.4	18.8	19.4	16.8	9.5	15.7	27.0	47.3
State and local obligations	2.3	5.3	8.3	6.2	2.5	2.6	3.3	*
Corporate and foreign bonds	5.0	2.0	5.1	8.4	5.8	-3.3	-1.4	9.3
Money market fund shares	—	—	2.4	1.3	*	2	6.9	34.4
Investment company shares	-.5	-1.2	-.7	-.1	-1.0	-.9	-1.0	-2.1
Other corporate stock	-5.1	-5.5	-1.5	-3.5	-2.2	-5.2	-5.2	-10.9
Other financial assets	4.3	13.2	-5.6	-6.7	-3.7	12.7	17.3	3.0
Net acquisition of financial assets	123.1	143.4	126.8	153.8	187.7	219.1	248.3	254.3
Less: Net increase in liabilities	70.8	76.7	51.1	52.2	97.3	145.3	166.4	167.6
Net financial saving	52.3	66.7	75.7	101.6	90.4	73.8	81.9	86.7
Memoranda:								
Disposable personal income	801.3	901.7	984.6	1,086.7	1,184.5	1,305.1	1,458.4	1,624.3
Personal saving	49.4	70.3	71.7	83.6	68.6	65.0	72.0	73.8
Saving as per cent of disposable personal income	6.2	7.8	7.3	7.7	5.8	5.0	4.9	4.5

*Less than $50 million

NOTE: Household sector includes personal trusts and non-profit organizations as well as persons who are members of households. Data for other U.S. Government securities include issues of federally sponsored credit agencies. Pension fund reserves refer to private pension, government employees retirement funds and the Railroad Retirement Fund, but exclude Social Security and other OASI programs. Other financial assets include mortgages, commercial paper, net investment in noncorporate business, security credit advances and miscellaneous assets.

SOURCE: FRB and U.S. Department of Commerce.

Table 61

Financial Assets and Liabilities of Households, Selected Year-End Dates, 1945-1979

(in billions of dollars)

Item	1945	1950	1955	1960	1965	1970	1978	1979
Financial assets:								
Demand deposits and currency	56.7	56.1	66.1	73.2	88.4	117.8	222.1	234.9
Savings accounts	50.1	66.9	105.4	164.1	288.7	426.7	1,096.3	1,173.6
Mutual savings banks	15.3	20.0	28.2	36.3	52.4	71.6	142.6	145.9
Commercial banks	27.2	32.1	43.3	62.1	118.9	195.4	471.7	504.5
Savings and loan associations	7.3	13.9	31.4	60.7	108.1	144.3	428.9	467.1
Credit unions	4	9	2.4	5.0	9.2	15.5	53.0	56.2
Life insurance reserves	39.6	55.0	69.3	85.2	105.9	130.5	198.5	210.7
Pension fund reserves	11.0	24.3	50.5	90.8	154.8	239.4	530.5	616.7
Direct market instruments	195.7	217.1	380.5	510.3	763.5	916.9	1,162.9	1,344.0
U.S. Government securities	68.1	68.2	69.3	74.0	82.0	107.2	203.8	251.2
State and local obligations	6.3	9.2	19.3	30.8	36.4	46.0	75.0	75.2
Corporate and foreign bonds	9.7	6.0	5.6	10.0	9.5	34.3	64.8	77.8
Money market fund shares	—	—	—	—	—	—	10.8	45.2
Investment company shares	1.3	3.3	7.8	17.0	35.2	47.6	42.6	46.2
Other corporate stock	110.4	130.3	278.5	378.4	600.4	681.8	765.9	848.4
Other financial assets	18.9	27.5	35.9	49.8	67.3	95.3	211.6	242.4
Total financial assets	372.0	446.9	707.7	973.4	1,468.7	1,926.6	3,422.0	3,822.3
Less: Total financial liabilities	33.1	77.0	144.9	228.2	359.0	502.0	1,210.0	1,379.6
Net financial equity	338.9	369.9	562.9	745.2	1,109.7	1,424.6	2,212.0	2,442.7

NOTE: Other assets include mortgages, commercial paper, security credit advances and miscellaneous assets. Year-to-year changes in some asset figures are not equivalent to data on household saving in the various forms shown in Table 60, since holdings of some asset items, such as investment company shares and other corporate stock, are stated at market value. Certain other items are also computed on a different basis than in Table 60.

SOURCE: FRB

Table 62

Savings Held in Selected Media by Mutual Savings Bank States, December 31, 1979

State	In millions of dollars				Percentage distribution			
	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Total	Mutual savings banks	Commercial banks	Savings and loan associations
New York	159,360	77,022	60,652	21,686	100.0	48.3	38.1	13.6
Massachusetts	36,023	20,508	8,727	6,788	100.0	56.9	24.2	18.8
Connecticut	21,366	12,851	4,978	3,537	100.0	60.1	23.3	16.6
Pennsylvania	66,147	12,159	35,013	18,975	100.0	18.4	52.9	28.7
New Jersey	43,233	8,324	16,230	18,679	100.0	19.3	37.5	43.2
Washington	19,311	3,862	8,491	6,958	100.0	20.0	44.0	36.0
Maine	4,626	2,360	1,700	566	100.0	51.0	36.7	12.2
New Hampshire	4,952	2,316	1,732	904	100.0	46.8	35.0	18.3
Rhode Island	5,422	1,576	3,219	627	100.0	29.1	59.4	11.6
Maryland	16,491	1,570	6,832	8,089	100.0	9.5	41.4	49.1
Minnesota	21,258	852	12,422	7,984	100.0	4.0	58.4	37.6
Delaware	2,636	847	1,582	207	100.0	32.1	60.0	7.9
Vermont	2,285	794	1,289	202	100.0	34.7	56.4	8.8
Oregon	11,769	417	6,079	5,273	100.0	3.5	51.7	44.8
Indiana	23,098	241	14,373	8,484	100.0	1.0	62.2	36.7
Alaska	1,015	230	556	229	100.0	22.7	54.8	22.6
Wisconsin	22,686	78	12,749	9,859	100.0	.3	56.2	43.5
TOTAL	461,678	146,006	196,624	119,047	100.0	31.6	42.6	25.8

NOTE: Data for commercial banks are as of June 30, 1979. Data include total deposits of mutual savings banks, savings and time deposits of individuals, partnerships and corporations of commercial banks and savings capital of savings and loan associations.
SOURCE: FDIC, NAMSB and USLSA.

Table 63

Savings and Time Deposits Held in Mutual Savings Banks, by Selected Metropolitan Areas, June 30, 1979

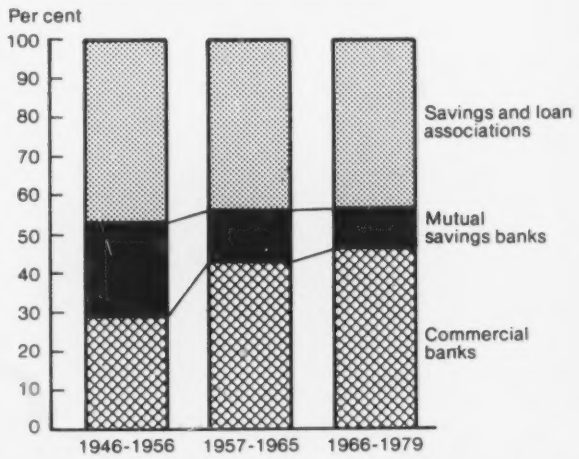
(in millions of dollars)

Metropolitan area	Total	Savings	Time
New York, N.Y.-N.J.	51,430	24,736	26,693
Boston, Mass.	10,031	5,194	4,837
Philadelphia, Pa.-N.J.	9,787	4,379	5,408
Nassau-Suffolk, N.Y.	8,657	3,330	5,327
Buffalo, N.Y.	5,585	2,294	3,291
Newark, N.J.	4,545	1,989	2,556
Albany-Schenectady-Troy, N.Y.	3,377	1,623	1,754
Hartford, Conn.	2,998	1,339	1,658
Rochester, N.Y.	2,335	1,017	1,318
Seattle-Everett, Wash.	2,184	1,027	1,157
Bridgeport, Conn.	2,167	997	1,170
Syracuse, N.Y.	2,078	978	1,100
Springfield-Chicopee-Holyoke, Mass.-Conn.	2,003	982	1,021
New Haven-West Haven, Conn.	1,765	866	899
Providence-Warwick-Pawtucket, R.I.-Mass.	1,531	763	768
Baltimore, Md.	1,419	896	523
Worcester, Mass.	1,258	745	513
Pittsburgh, Pa.	1,228	567	662
Jersey City, N.J.	933	644	288
Minneapolis, St. Paul, Minn.-Wis.	868	363	505
TOTAL	116,177	54,729	61,448

NOTE: Areas shown are Standard Metropolitan Statistical Areas as defined by the Office of Management and Budget representing 81% of total savings bank deposits.
SOURCE: FDIC.

Chart 7

Percentage Distribution of Household Savings and Time Deposit Growth, Selected Periods 1946-1979



NOTE: Data refer to percentage composition of combined household savings and time deposit growth, including interest, at mutual savings banks, commercial banks and savings and loan associations. See also note to Table 60.
SOURCE: FRB and NAMSB.

VI—Mutual Savings Banks in the Mortgage Market

Mortgage loans historically have represented the single most important type of private capital market instrument. At the end of 1979, total mortgage debt amounted to $1,334 billion. Of this total, $872 billion were in loans secured by 1- to 4-family homes, $369 billion represented multi-family and commercial mortgage debt, and the remaining $92 billion, farm mortgages (Table 64).

Mutual savings banks are major holders of federally-underwritten mortgage loans and a significant source of conventional mortgage credit as well. In recent years, reduced investment opportunities in FHA/VA markets have led to a decline in the federally-underwritten share of industry mortgage lending activity and a corresponding rise in the conventional loan proportion. However, this reduction has been partly offset by large-scale purchases of mortgage-backed securities—the bulk of which are GNMA guaranteed and secured by FHA and VA loans (Table 71).

Savings banks are basically oriented toward permanent long-term mortgage loans, allocating 86.5% of their new mortgage funds into these loans during 1979 and only 13.5% into short-term construction loans. By contrast, construction loans were more important in the gross mortgage lending activity of commercial banks (36%) and savings and loan associations (18%).

Although mutual savings banks operate in both local and national mortgage markets, their major activity is concentrated in local markets where they are major sources of mortgage credit in many areas. During the 1974-1979 period as a whole, for example, loans on in-state properties represented more than four-fifths of the industry's net mortgage flows (Table 71).

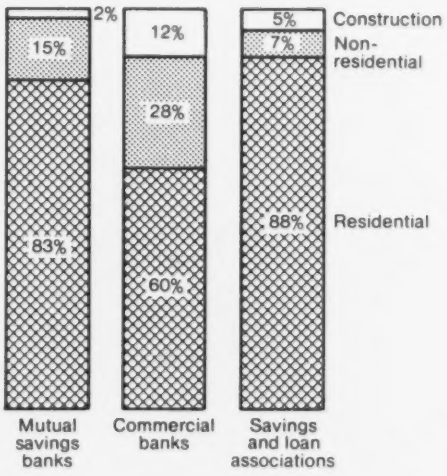
"Alternative" Mortgage Instruments

In recent years of climbing inflation and interest rates, mortgage lenders have shifted away from fixed rate mortgages to new forms of real estate financing, primarily variable rate and graduated payment loans. Both types were recently authorized by the Federal Home Loan Bank Board and a number of state regulatory bodies. In addition, the suspension of usury ceilings nationwide by Congress has strengthened the competitive position of such mortgage loans in capital markets. The number of savings banks offering more flexible types of loans has increased significantly in recent years.

Variable rate mortgages generally take two forms: (1) long-term variable rate mortgage contracts (VRMs) with interest rates that vary semi-annually or annually in response to changes in a specified "reference" rate; and (2) short-term renegotiated rate mortgage instruments (RRMs) with long-term amortization schedules carrying rates that may be adjusted at scheduled maturity dates, usually three to five years.

Graduated payment mortgages (GPMs), on the other hand, carry a fixed rate and term with payments starting lower in the early years and increasing to higher levels later. They were first designed under federally underwritten programs to aid moderate income young home buyers with rising income potential. Another type of GPM plan recently developed in the private sector features the use of borrower savings accounts to supplement reduced mortgage payments in the early mortgage years.

Percentage Distribution of Mortgage Holdings at Selected Financial Institutions by Type of Property, December 31, 1979



Net Flow of Mortgage Funds from Mutual Savings Banks 1970-1979

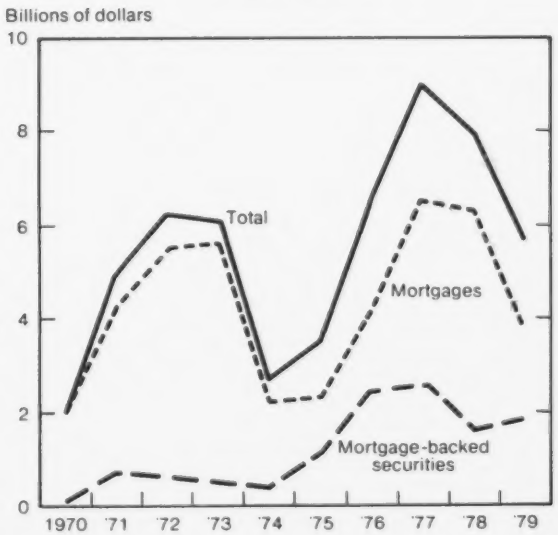


Table 64

Mortgage Debt Outstanding, by Type of Property and Loan, Selected Year-End Dates, 1955-1979

(in millions of dollars)

End of year	Total	Nonfarm						Farm
		1- to 4-family				Multifamily and commercial		
		Total	FHA	VA	Conventional	FHA	Conventional	
1955	129,892	88,249	14,324	24,600	49,325	3,994	28,627	9,022
1960	207,498	141,940	26,742	29,700	85,498	5,887	46,833	12,838
1965	333,306	220,479	42,045	31,082	147,352	8,041	83,599	21,187
1966	356,476	232,944	44,798	31,284	156,862	8,006	92,449	23,077
1967	381,206	247,330	47,415	32,515	167,400	8,258	100,476	25,142
1968	410,916	264,783	50,582	33,841	180,360	8,996	109,740	27,397
1969	441,414	283,163	54,537	35,654	192,972	9,992	119,076	29,183
1970	474,188	298,102	59,933	37,328	200,841	11,965	133,775	30,346
1971	526,467	328,940	65,732	39,469	223,739	15,529	149,791	32,207
1972	603,417	372,793	68,233	44,721	259,839	18,174	176,692	35,758
1973	682,321	416,883	66,207	50,031	300,645	18,806	205,379	41,253
1974	742,512	449,937	65,134	56,161	328,642	18,917	227,370	46,288
1975	801,537	490,761	66,140	61,609	363,012	19,235	240,664	50,877
1976	889,202	556,456	66,505	67,041	422,910	20,600	255,115	57,031
1977	1,023,505	656,566	68,041	73,567	514,958	20,131	280,984	65,824
1978	1,172,754	761,843	71,360	82,017	608,466	23,000	311,718	76,193
1979p	1,333,550	872,068	81,451	91,971	698,646	26,560	342,565	92,357

p — preliminary
SOURCE: FRB and NAMSB

Table 65

Mortgage Debt Outstanding, by Type of Holder, Selected Year-End Dates, 1945-1979

(in millions of dollars)

End of year	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies	Federally sponsored credit agencies	Real estate investment trusts	Pension funds	All other holders
1945	35,536	4,208	4,772	5,376	6,636	1,035	—	18	13,491
1950	72,817	8,262	13,663	13,657	16,102	984	—	177	19,972
1955	129,892	17,457	21,004	31,409	29,445	1,699	—	639	28,239
1960	207,498	26,935	28,806	60,070	41,771	5,669	—	2,751	41,496
1965	333,306	44,617	49,675	110,306	60,013	7,670	—	7,131	53,894
1966	356,476	47,336	54,380	114,427	64,609	10,668	—	8,427	56,629
1967	381,206	50,490	59,019	121,805	67,516	13,119	—	9,086	60,171
1968	410,916	53,457	65,696	130,802	69,975	15,819	830	9,429	64,908
1969	441,414	56,138	70,705	140,232	72,027	20,868	2,007	9,791	69,646
1970	474,188	57,948	73,275	150,331	74,375	27,801	3,904	10,091	76,463
1971	526,467	61,978	82,515	174,250	75,496	36,198	6,203	9,946	79,881
1972	603,417	67,556	99,314	206,182	76,948	45,091	10,396	9,198	88,732
1973	682,321	73,230	119,068	231,733	81,369	55,890	15,956	9,517	95,558
1974	742,512	74,920	132,105	249,301	86,234	71,826	16,145	10,074	101,907
1975	801,537	77,249	136,186	278,590	89,168	87,512	13,178	9,925	109,729
1976	889,202	81,639	151,326	323,005	91,555	106,099	9,371	10,102	116,105
1977	1,023,505	88,104	178,979	381,163	96,765	130,070	6,984	10,538	130,902
1978	1,172,754	95,157	213,963	432,808	106,167	160,632	5,935	11,784	146,308
1979p	1,333,550	98,908	245,998	475,797	118,784	205,681	5,610	12,884	169,888

p — preliminary
NOTE: Data for federally-sponsored credit agencies include mortgage-backed securities. Figures for pension funds refer to holdings of private pension funds and state and local retirement funds.
SOURCE: FRB

Table 66

Percentage Distribution of Mortgage Holdings of Main Types of Financial Institutions, by Type of Loan and Property, December 31, 1979

(in per cent)

	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies
By type of loan				
FHA	13.8	2.0	2.8	5.1
VA	11.5	1.1	3.3	2.6
Conventional and other	72.8	84.6	89.3	91.7
Construction	1.9	12.3	4.6	.6
TOTAL	100.0	100.0	100.0	100.0
By type of property				
Residential				
1- to 4-family	67.6	57.1	81.3	13.6
Multifamily	15.1	2.6	7.3	16.1
Nonresidential	15.4	24.4	6.7	59.1
Farm	*	3.5	.1	10.6
Construction	1.9	12.3	4.6	.6
TOTAL	100.0	100.0	100.0	100.0

*Less than .05%.
SOURCE: HUD and NAMSB.

Table 67

Percentage Distribution of Gross Mortgage Acquisitions of Main Types of Financial Institutions, 1979

(in per cent)

	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies
Long term mortgage loans				
Residential	78.2	45.1	78.3	25.9
1- to 4-family	71.8	43.0	74.2	17.6
Multifamily	6.4	2.1	4.1	8.4
Nonresidential	8.4	16.5	3.8	56.8
Farm	*	2.2	.1	14.4
Construction loans	13.5	36.3	17.9	2.9
TOTAL	100.0	100.0	100.0	100.0

*Less than .05%.
SOURCE: HUD and NAMSB.

Table 68

Holdings of Federally-Underwritten Mortgage Debt by Main Types of Financial Institutions, 1960-1979

	In millions of dollars					Percentage distribution				
End of year	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies
1960	51,449	16,060	8,710	10,746	15,933	100.0	31.2	16.9	20.9	31.0
1961	53,451	17,312	8,602	11,319	16,218	100.0	32.4	16.1	21.2	30.3
1962	56,256	19,025	9,174	11,486	16,571	100.0	33.8	16.3	20.4	29.5
1963	59,954	21,174	9,967	11,656	17,157	100.0	35.3	16.6	19.4	28.6
1964	62,931	23,408	10,057	11,579	17,887	100.0	37.2	16.0	18.4	28.4
1965	65,486	25,199	10,390	11,543	18,354	100.0	38.5	15.9	17.6	28.0
1966	66,099	25,971	10,150	11,426	18,552	100.0	39.3	15.4	17.3	28.1
1967	67,699	26,869	10,405	12,142	18,283	100.0	39.7	15.4	17.9	27.0
1968	69,820	27,602	10,633	13,670	17,915	100.0	39.5	15.2	19.6	25.7
1969	71,626	28,008	10,622	15,560	17,416	100.0	39.1	14.8	21.7	24.3
1970	74,089	28,095	10,509	18,672	16,813	100.0	37.9	14.2	25.2	22.7
1971	79,459	28,216	11,290	24,298	15,655	100.0	35.5	14.2	30.6	19.7
1972	83,649	28,635	11,518	28,874	14,622	100.0	34.2	13.8	34.5	17.5
1973	83,331	28,452	11,531	29,738	13,610	100.0	34.1	13.8	35.7	16.3
1974	80,510	27,511	10,393	29,884	12,722	100.0	34.2	12.9	37.1	15.8
1975	78,614	26,818	9,383	30,590	11,823	100.0	34.1	11.9	38.9	15.0
1976	77,745	26,913	8,644	31,331	10,857	100.0	34.6	11.1	40.3	14.0
1977	74,611	26,120	8,401	30,151	9,939	100.0	35.0	11.3	40.4	13.3
1978	72,285	26,027	7,944	29,041	9,273	100.0	36.0	11.0	40.2	12.8
1979p	70,133	25,206	7,543	28,595	8,789	100.0	35.9	10.8	40.8	12.5

p — preliminary.
NOTE: Federally-underwritten mortgage debt refers to VA-guaranteed and FHA-insured loans.
SOURCE: ACLI, FRB, HUD and NAMSB.

Table 69

Holdings of Multifamily Mortgage Debt by Main Types of Financial Institutions, Selected Year-End Dates, 1950-1979

(in millions of dollars)

End of year	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Life insurance companies
1950	6,522	2,728	950	229	2,615
1955	8,709	3,730	813	614	3,552
1960	10,899	3,731	1,120	2,183	3,865
1965	25,202	6,283	1,986	8,122	8,811
1970	40,898	7,788	3,311	13,830	15,969
1971	47,916	9,586	3,984	17,599	16,747
1972	55,086	10,910	5,778	21,051	17,347
1973	60,505	12,343	6,932	22,779	18,451
1974	63,975	12,923	7,619	23,808	19,625
1975	64,883	13,792	5,915	25,547	19,629
1976	69,862	14,177	8,082	28,425	19,178
1977	75,839	15,304	9,215	32,513	18,807
1978	82,494	16,529	10,912	36,053	19,000
1979p	86,627	17,180	12,585	37,588	19,274

p — preliminary.
NOTE: Data refer to holdings of loans on properties for five or more families.
SOURCE: FRB.

Table 70

Mortgage Holdings of Selected Types of Financial Institutions, by Mutual Savings Bank States, December 31, 1978

(in millions of dollars)

State	Total	Mutual savings banks	Commercial banks	Savings and loan associations
New York	80,721	49,368	13,713	17,640
Massachusetts	22,306	14,028	2,374	5,904
Connecticut	14,497	9,476	2,019	3,002
Pennsylvania	36,332	6,152	11,912	18,268
New Jersey	26,926	4,934	6,884	15,108
Washington	12,828	3,099	2,386	7,343
Maine	2,858	1,680	670	508
New Hampshire	3,281	1,648	770	863
Rhode Island	3,291	1,151	1,524	616
Maryland	12,277	947	3,164	8,166
Vermont	1,537	643	701	193
All other states	50,328	2,030	17,826	30,472
TOTAL	267,182	95,157	63,943	108,082

NOTE: Commercial bank data are for 1977 and are the latest available.
SOURCE: FDIC, FHLBB and NAMSB.

Table 71

Mortgage Holdings of Mutual Savings Banks, by Location of Property, Selected Dates, 1951-1978

Type of mortage and location of property	1951	1960	1966	1968	1970	1972	1974	1976	1978
				(Amounts in millions of dollars)					
Total mortgage holdings	8,428	26,213	46,555	52,410	57,275	65,834	74,730	80,142	93,242
In-state	7,184	17,103	28,114	31,691	34,876	41,245	48,159	52,778	63,617
Out-of-state	1,244	9,110	18,441	20,719	22,398	24,589	26,571	27,364	29,625
Savings banks states	745	2,786	4,830	5,642	6,248	5,992	6,412	6,121	7,291
Non-savings bank states	499	6,323	13,611	15,078	16,150	18,598	20,158	21,243	22,334
FHA	n.a.	2,622	7,233	7,817	8,110	8,816	8,325	8,366	7,843
VA	n.a.	3,634	6,015	6,605	6,807	7,368	7,684	7,335	6,851
Conventional	n.a.	68	363	656	1,234	2,414	4,150	5,542	7,639
				(Percentage distribution)					
Total mortgage holdings	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
In-state	85.2	65.2	60.4	60.5	60.9	62.7	64.5	65.9	68.2
Out-of-state	14.8	34.8	39.6	39.5	39.1	37.4	35.6	34.1	31.8
Savings bank states	8.8	10.6	10.4	10.8	10.9	9.1	8.6	7.6	7.8
Non-savings bank states	5.9	24.1	29.2	28.8	28.2	28.3	27.0	26.5	24.0
FHA	n.a.	10.0	15.5	14.9	14.2	13.4	11.1	10.4	8.4
VA	n.a.	13.9	12.9	12.6	11.9	11.2	10.3	9.2	7.3
Conventional	n.a.	.3	.8	1.3	2.2	3.7	5.6	6.9	8.2
Memoranda:									
GNMA mortgage-backed securities (millions of dollars)	—	—	—	—	n.a.	1,189	2,066	5,143	9,742

n.a — not available.
NOTE: Data are as of March 31, 1951; September 30, 1960, 1966, 1968, 1970, 1972, 1974, 1976 and 1978. Figures are gross before deduction of valuation reserves, except for 1951 where data are net of valuation reserves.
SOURCE: NAMSB.

Table 72

Residential Mortgage Holdings of Selected Types of Financial Institutions in Non-Savings Bank States, by Type of Loan, September 30, 1978

(in millions of dollars)

State	Total Residential			Total FHA and VA		
	Mutual savings banks	Commercial banks	Savings and loan associations	Mutual savings banks	Commercial banks	Savings and loan associations
California	3,768	18,584	70,741	2,852	1,938	3,051
Texas	2,482	4,260	19,719	1,566	157	1,373
Florida	1,750	3,254	27,438	1,332	220	1,940
Virginia	1,718	3,279	5,815	1,269	140	226
Georgia	1,082	1,749	7,179	811	36	144
Ohio	993	5,560	24,274	908	155	1,171
Colorado	741	1,039	5,696	580	66	734
Arizona	708	1,446	3,472	608	390	223
Michigan	622	7,520	11,047	589	816	846
Louisiana	606	1,683	5,131	462	54	158
Alabama	594	1,404	3,085	503	52	343
Illinois	592	7,803	28,257	402	190	1,597
North Carolina	573	1,165	7,520	488	55	86
Tennessee	520	2,031	4,670	456	62	349
South Carolina	290	395	4,162	233	26	74
Oklahoma	258	1,106	3,537	202	31	250
Missouri	248	2,542	9,796	205	145	1,122
Mississippi	225	772	1,767	210	15	203
Nevada	220	382	1,216	192	62	56
All other states	1,096	11,668	33,827	826	764	2,488
TOTAL	19,086	77,643	278,351	14,694	5,374	16,433

NOTE: Data for total mortgages include conventional loans not shown separately. Data for all commercial banks and insured savings and loan associations are as of December 31, 1977. Reflecting statutory restrictions in major savings bank states prior to 1966, total holdings of savings banks remain largely FHA and VA loans. Data for all insured savings and loan associations are based on the location of institutions and include nonresidential loans. Figures for both commercial banks and savings and loan associations are based on the location of institutrions and include both local and any out-of-state loans these institutions hold.
SOURCE: FDIC, FHLBB and NAMSB.

Table 73

Average Interest Rates and Other Terms on Conventional First Mortgage Loans on Single Family Homes Originated by Major Lenders, 1978 and 1979

Type of home purchased and institution	Contract interest rate (per cent)		Fees and charges (per cent)		Effective interest rate (per cent)		Maturity (years)		Loan to price ratio (per cent)	
	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979
All loans closed										
All institutions	9.34	10.60	1.30	1.51	9.56	10.87	26.7	27.4	74.7	73.5
Mutual savings banks	8.90	10.17	.53	.81	8.99	10.31	26.3	26.4	70.8	68.9
Commercial banks	9.27	10.65	.87	1.05	9.42	10.84	23.0	25.2	67.8	67.8
Savings and loan associations	9.39	10.64	1.44	1.71	9.63	10.94	27.4	28.0	76.1	75.5
Mortgage companies	9.42	10.32	1.75	1.82	9.71	10.63	29.8	29.4	83.4	79.6
All loans closed for purchase of new homes	9.30	10.48	1.39	1.66	9.54	10.77	28.0	28.5	75.3	73.9
All loans closed for purchase of existing homes	9.37	10.66	1.26	1.45	9.58	10.92	26.4	27.1	75.1	74.0

NOTE: Data are unweighted averages of monthly loan terms approved during 1978 and 1979 by the four major types of lenders. Coverage is confined to loans originated directly and excludes loans acquired through correspondents. Fees and charges refer to discounts and initial payments that provide income to the lender and are expressed as per cent of the principal amount of the mortgage. Effective interest rate includes, in addition to the contract interest rate, fees and charges amortized over a ten year period. Loan to price ratio is the amount of mortgage credit extended as per cent of purchase price of the home.
SOURCE: FHLBB.

Table 74
Holdings of GNMA Mortgage-Backed Pass-Through Securities, by Selected Types of Investors
1970-1979

End of year	Total	Mutual savings banks	Commercial banks	Savings and loan associations	Credit unions	Retirement and pension funds	All other holders
			(In millions of dollars)				
1970	452	86	10	248	—	67	41
1971	3,154	605	126	1,552	210	161	500
1972	5,816	1,216	301	2,426	354	291	1,228
1973	8,769	1,891	500	2,919	450	619	2,390
1974	13,321	2,402	789	4,050	534	1,028	4,518
1975	20,769	3,049	991	5,670	654	1,641	8,764
1976	34,533	4,496	1,844	6,775	895	3,446	17,077
1977	51,973	6,102	3,103	7,666	1,341	5,920	27,841
1978	67,331	7,406	3,966	9,204	1,602	7,743	37,410
1979	92,270	9,043	5,444	14,117	1,938	9,688	52,040
			(Percentage distribution)				
1970	100.0	19.0	2.2	54.9	—	14.8	9.1
1971	100.0	19.2	4.0	49.2	6.7	5.1	15.9
1972	100.0	20.9	5.2	41.7	6.1	5.0	21.1
1973	100.0	21.6	5.7	33.3	5.1	7.1	27.3
1974	100.0	18.0	5.9	30.4	4.0	7.7	33.9
1975	100.0	14.7	4.8	27.3	3.1	7.9	42.2
1976	100.0	13.0	5.3	19.6	2.6	10.0	49.5
1977	100.0	11.7	6.0	14.7	2.6	11.4	53.6
1978	100.0	11.0	5.9	13.7	2.4	11.5	55.6
1979	100.0	9.8	5.9	15.3	2.1	10.5	56.4

NOTE: Data represent face amount of original issues, and differ from figures compiled by NAMSB which cover unpaid principal only. All other holders include mortgage brokers and investment bankers, corporations, life insurance companies, state and local governments, nominees and others.
SOURCE: GNMA.

Table 75
Mortgage Commitments Outstanding at Mutual Savings Banks, Monthly, 1971-1980
(in millions of dollars)

Year	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1971	2,234	2,541	2,903	3,361	3,834	3,846	3,826	3,719	3,675	3,784	4,025	3,963
1972	4,116	4,635	5,163	5,533	5,744	5,637	5,715	5,550	5,423	5,388	5,486	5,096
1973	5,140	5,076	5,549	5,651	5,738	5,463	5,475	4,862	4,469	4,086	3,934	3,235
1974	3,423	3,536	3,614	3,841	3,943	3,609	3,309	2,988	2,798	2,491	2,417	2,115
1975	2,082	1,994	2,256	2,440	2,586	2,708	2,708	2,644	2,450	2,457	2,284	1,967
1976	2,051	2,121	2,554	2,664	2,877	2,859	2,852	2,895	2,961	2,902	3,029	2,954
1977	2,937	3,215	3,554	3,812	4,219	4,466	4,443	4,318	4,368	4,355	4,354	3,880
1978	3,808	3,849	4,149	4,376	4,672	4,960	4,709	4,330	4,203	4,401	4,231	3,951
1979	3,783	3,768	3,876	4,109	4,356	4,323	4,159	4,139	4,026	3,849	3,594	3,133
1980p	2,918	2,714	2,666	2,555								

p — preliminary.
NOTE: Data are totals of long-term and construction loan commitments outstanding at month-end.
SOURCE: HUD.

VII—Services Offered by Mutual Savings Banks

Savings banks generally provide a wide variety of financial services to consumers, within the limits of their authorized powers. These include basic deposit and mortgage credit services, as well as such long-standing programs as Savings Bank Life Insurance, safe deposit facilities, money orders, travelers checks and passbook loans. In addition, an increasing number of savings banks have broadened and modernized family financial service programs as their legal authority has expanded. Notable examples are: (1) various types of third party payment services, such as NOW accounts, checking accounts and telephone transfer systems; (2) retirement programs, including IRA and Keogh plans; and (3) direct deposit of Social Security and related retirement programs (Tables 79 and 80).

A major breakthrough in the provision of new savings bank services occurred at the end of March 1980 with the passage of the Depository Institutions Deregulation and Monetary Control Act of 1980. The Act substantially expanded powers of federally chartered savings banks including authority to: (1) invest 5% of assets in commercial, corporate or business loans within the home state or a 75 mile radius of the home office; and (2) accept demand deposits in connection with a commercial, corporate or business loan relationship. In addition, the new legislation authorized new powers for federally chartered thrift institutions, which permit them to invest up to 20% of assets in consumer loans, commercial paper and corporate debt securities. Such institutions were also granted new powers encompassing credit cards, real estate lending and trust operations.

Passage of the Act also extended NOW authority nationwide to all depository institutions effective December 31, 1980. In addition, the potential mortgage lending capacity of depository institutions was expanded with federal preemption of state usury ceilings.

In the area of Savings Bank Life Insurance, 1.8 million ordinary policies and group certificates were outstanding at the end of 1979 with a face value of $11.6 billion or $12.4 billion, including reinsurance. During the 1960-1979 period, the number of policies and certificates in force more than doubled while their dollar value increased more than nine fold. Ordinary policies account for the largest share of total savings bank life insurance in force (Tables 76-78).

Third Party Payment Services

Third party payment services—including at least one form of checking, NOW and NINOW accounts, as well as telephone bill payment facilities—are currently being provided to consumers by most of the nation's savings banks.

Personal checking accounts, after generally having been barred to thrift institutions, are now being offered in over half of the seventeeen savings bank states. Savings bank participation in still another type of third party payment service, direct deposit of social security and related federal retirement payments, has also shown substantial growth in dollar volume.

Table 76

Savings Bank Life Insurance in Force, Selected Years, 1908-1979

(in millions of dollars)

Year	Total	Massachusetts			New York			Connecticut		
		Total	Ordinary	Group	Total	Ordinary	Group	Total	Ordinary	Group
1908	.1	.1	.1	—	—	—	—	—	—	—
1918	9.8	9.8	7.2	2.6	—	—	—	—	—	—
1928	57.8	57.8	46.3	11.5	—	—	—	—	—	—
1939	179.0	173.1	162.3	10.9	5.8	5.8	—	—	—	—
1942	252.7	222.8	210.3	12.5	28.8	28.2	.6	1.2	1.2	—
1945	331.0	264.1	247.6	16.4	61.1	56.8	4.3	5.9	4.8	1.1
1950	579.8	392.6	360.7	31.9	172.9	158.9	14.0	14.4	12.5	1.9
1955	859.8	543.8	496.7	47.1	284.2	244.6	39.6	31.7	22.7	9.0
1960	1,248.7	738.5	669.8	68.7	448.6	391.9	56.7	61.6	37.9	23.7
1965	2,058.1	1,072.0	947.5	124.4	894.1	785.2	108.8	92.1	54.2	37.9
1970	4,019.7	1,512.3	1,300.9	211.4	2,380.8	1,521.0	859.8	126.6	71.7	54.9
1971	4,545.3	1,634.3	1,394.4	239.9	2,777.5	1,657.3	1,120.2	133.5	76.6	56.9
1972	5,257.8	1,764.3	1,490.7	273.6	3,352.6	1,953.7	1,398.9	140.9	82.5	58.4
1973	6,046.9	1,893.9	1,583.9	310.0	4,001.4	2,291.3	1,710.1	151.6	87.9	63.7
1974	6,923.5	2,029.5	1,679.6	349.9	4,736.8	2,654.1	2,082.7	157.2	91.8	65.4
1975	7,631.6	2,156.4	1,756.7	399.7	5,289.5	3,041.0	2,247.5	186.7	94.5	92.2
1976	8,396.0	2,264.0	1,848.9	415.1	5,913.8	3,444.8	2,469.0	218.2	97.4	120.8
1977	9,442.0	2,371.9	1,924.5	447.4	6,824.0	3,813.4	3,010.6	246.1	99.9	146.2
1978	10,574.5	2,535.9	2,031.9	504.0	7,713.5	4,145.0	3,568.5	325.1	110.0	215.1
1979	11,558.3	2,712.5	2,176.0	536.5	8,448.7	4,459.8	3,989.0	397.1	121.2	275.9

NOTE: Data are as of October 31 for Massachusetts and December 31 for New York and Connecticut. Data exclude amounts of reinsurance under various programs. Additions of these amounts bring total savings bank life insurance in force to $12.4 billion.

SOURCE: Commissioner of Banks, Commonwealth of Massachusetts; Savings Bank Life Insurance, Massachusetts; Savings Banks Life Insurance Fund, New York; and The Savings Bank Life Insurance Company, Connecticut.

Savings Bank Services

Table 77

Total Savings Bank Life Insurance in Force, Including Reinsurance Programs, 1960-1979

(in millions of dollars)

Year	Total	Mass.	New York	Conn.
1960	1,248.7	738.5	448.6	61.6
1965	2,234.6	1,072.0	954.0	208.6
1966	2,506.1	1,151.7	1,110.8	243.6
1967	2,797.5	1,240.6	1,294.9	262.0
1968	3,138.5	1,333.6	1,509.3	295.6
1969	3,780.1	1,409.4	2,050.2	320.5
1970	4,341.7	1,512.3	2,477.3	352.1
1971	4,869.0	1,634.3	2,865.8	368.9
1972	5,587.2	1,764.3	3,428.9	394.0
1973	6,402.5	1,893.9	4,074.4	434.2
1974	7,446.3	2,029.5	4,878.5	538.3
1975	8,215.4	2,156.4	5,441.4	617.6
1976	9,033.1	2,272.8	6,071.4	688.9
1977	9,971.6	2,382.7	6,824.0	764.9
1978	11,270.4	2,551.5	7,713.5	1,005.4
1979	12,357.8	2,735.7	8,448.7	1,173.4

NOTE: Data are as of October 31 for Massachusetts and December 31 for New York and Connecticut.
SOURCE: Commissioner of Banks, Commonwealth of Massachusetts; Savings Bank Life Insurance, Mass.; The Savings Bank Life Insurance Co., Conn.; and Savings Banks Life Insurance Fund, N.Y.

Table 78

Number of Savings Bank Life Insurance Policies in Force, Selected Years, 1908-1979

Year	Total	Mass.	New York	Conn.
1908	282	282	—	—
1918	20,707	20,707	—	—
1928	53,858	53,858	—	—
1939	185,810	178,804	7,006	—
1942	281,774	246,243	34,201	1,330
1945	353,347	291,706	56,297	5,344
1950	570,305	423,312	131,907	15,086
1955	706,345	488,931	†89,506	27,908
1960	808,751	538,874	230,123	39,754
1965	961,546	621,207	284,864	55,475
1970	1,216,509	715,699	396,701	104,109
1975	1,517,070	813,893	570,701	132,476
1976	1,584,790	826,502	607,860	150,428
1977	1,660,866	837,489	667,202	156,175
1978	1,738,233	844,220	716,313	177,700
1979	1,792,976	846,372	757,204	189,400

NOTE: Prior to 1942 in Massachusetts and to 1950 in New York and Connecticut, data include both ordinary and group policies. For later years, data include the number of ordinary policies and individual certificates issued under group policies. See note to Table 76.
SOURCE: Commissioner of Banks, Commonwealth of Massachusetts; Savings Bank Life Insurance, Mass.; The Savings Bank Life Insurance Co., Conn.; and Savings Banks Life Insurance Fund, N.Y.

Table 79

Number of Savings Banks Offering Selected Services, by States, June 30, 1979

Item	Total	Mass.	New York	Conn.	Me.	N.H.	N.J.	Wash.	Pa.	R.I.	Vt.	Md.
Total number of savings banks	462	163	113	65	29	26	20	9	8	6	6	3
Automated teller facilities	95	41	15	11	2	8	2	5	3	1	3	—
Bank money orders	458	162	113	63	29	26	20	9	8	6	5	3
Checking accounts	217	—	104	48	27	—	20	—	—	6	3	3
Checking or NOW overdraft	177	58	56	35	10	5	2	—	—	4	—	2
Check verification	88	55	9	7	—	12	2	1	—	—	—	—
Club accounts	423	132	112	65	29	25	20	5	8	6	6	3
Collateral loans	381	159	43	63	29	26	20	8	4	6	6	3
Credit cards	192	91	11	46	14	11	2	2	2	5	—	2
Direct deposit	459	163	113	65	29	25	19	9	8	6	6	3
Education loans	388	137	112	53	19	21	19	4	8	5	6	2
Home improvement loans	450	163	113	62	29	26	18	9	4	5	6	3
24-hour cash dispensing	63	24	11	8	2	6	1	2	1	1	3	—
Individual retirement accounts	436	155	112	61	26	24	16	9	8	5	6	2
NOW accounts (interest bearing)	354	159	75	50	28	25	—	2	5†	6	3	—
Passbook loans	461	163	113	65	29	26	20	9	7	6	6	3
Payroll deductions	314	106	92	40	14	17	16	7	7	4	4	3
Personal loans	316	154	—	60	29	26	14	9	—	5	6	3
Personal trust service	7	—	—	—	—	—	4	1	—	2	—	—
Point-of-sale services	23	6	11	—	—	2	—	—	1	1	—	—
Safe deposit boxes	389	120	107	57	27	22	20	7	6	5	5	3
Savings bank life insurance	328	156	110	62	—	—	—	—	—	—	—	—
Savings payout plan	85	18	38	9	3	3	—	3	5	3	2	—
School savings	103	21	46	8	12	5	6	1	2	1	1	—
Self-employed retirement savings (Keogh)	311	127	102	24	10	13	13	6	7	2	2	—
Telephone bill-paying	52	24	7	6	3	3	2	1	3	—	—	1
Travelers checks	459	163	113	65	29	24	20	9	8	5	6	3

†Noninterest bearing NOW accounts (NINOWs)
NOTE: Variations among states partly reflect differences in legal provisions governing the particular services which may be offered by savings banks. Total includes data for states not shown separately. Data on checking accounts and NOW accounts are as of December 31, 1979. See notes to Tables 26 and 27. Data on telephone bill-paying are as of December 31, 1979.
SOURCE: NAMSB.

Table 80

Selected Balance Sheet Powers and Services of Mutual Savings Banks, by States

Item	Alaska*	Conn	Del	Ind	Me	Md	Mass	Minn	N.H.	N.J.	New York	Ore	Penn	R.I.	Vt.	Wash.	Wis.
ASSETS																	
Mortgage loans																	
1- to 4-family	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Multi-family	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Non-residential	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Unimproved (land) property	•	•	•	•	•	•	•	•	•	•	•	—	•	•	•	•	—
Other loans																	
Home improvement	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Personal	•	•	—	•	•	•	•	•	•	•	•†	•	—	•	•	•	•
Education	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Securities and other investments																	
U.S. Government (including Federal agencies)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
State and local government	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Corporate bonds	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Corporate stock (excluding bank)	•	•	•	—	•	•	•	•	•	•	•	—	•	•	•	•	—
Bank stock	•	•	•	—	•	•	•	•	•	•	—	—	•	•	•	•	—
Federal funds	•	•	•	—	•	•	•	—	•	•	•	—	•	•	•	—	•
Bankers acceptances	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Investment "leeway provisions"	—	•	—	—	•	—	•	—	—	•	•	•	—	—	•	•	—
LIABILITIES																	
Deposits																	
Savings	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
NOW	•	•	—	—	•	—	•	•‡	•	•	•	—	•‡	•	•	•††	—
Time	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Demand	•	•	•	•	•	•	—	—	—	•	•	•	—	•	•	—	•
Debentures	•	•	•	—	•	•	•	•	•	•	•	•	•	•	•	•	•
OTHER FINANCIAL SERVICES																	
Savings Bank Life Insurance	—	•	—	—	—	—	•	—	—	—	•	—	—	—	—	—	—
General personal trust services	•	—	—	—	—	—	—	—	—	•	—	•	—	•	•	•	—

NOTE: Items marked "•" indicate that the power or service exists either by virtue of specific statutory provision, or a general "prudent man" or "leeway" investment authority, or through ownership of a commercial bank subsidiary. Information in this table refers to state statutes and regulations only. Federal chartering privileges are also available to savings banks under Title XII of the Financial Institutions Regulatory and Interest Rate Control Act. Information on balance sheet powers and services for federally chartered savings banks is available from *A Savings Bankers' Introductory Guide to Federal Mutual Savings Banks*, published by NAMSB, June, 1980.

*Effective July 1, 1980, savings banks were authorized those powers granted to all state banks under the Alaska Banking Code.

†"Overdraft" loans

‡Noninterest bearing NOW accounts (NINOWs)

††The State Banking Department and FDIC approved the accessing of savings accounts by the VISA "debit card", also noninterest-bearing NOW accounts upheld by State court.

SOURCE: NAMSB.

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SOURCE ABBREVIATIONS

ACLI	American Council of Life Insurance
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FHLBB	Federal Home Loan Bank Board
FRB	Board of Governors of the Federal Reserve System
GNMA	Government National Mortgage Association
HUD	Department of Housing and Urban Development
NAMSB	National Association of Mutual Savings Banks
USLSA	United States League of Savings Associations